

# SCOTT COUNTY, MINNESOTA

## COMPREHENSIVE ANNUAL FINANCIAL REPORT

### YEAR ENDING, DECEMBER 31, 2014



Mission: To advance safe, healthy, and livable communities through citizen-focused services.

Prepared by the Office of Management and Budget





COMPREHENSIVE ANNUAL FINANCIAL REPORT

**SCOTT COUNTY  
SHAKOPEE, MINNESOTA**

FOR THE YEAR ENDED DECEMBER 31, 2014

Prepared by the Office of Management and Budget

**Scott County**  
**Geographic Location in Minnesota**



**SCOTT COUNTY  
SHAKOPEE, MINNESOTA**

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**SCOTT COUNTY  
SHAKOPEE, MINNESOTA**

**INTRODUCTORY SECTION**

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## SCOTT COUNTY GOVERNMENT CENTER

Office of Management and Budget

200 Fourth Avenue West

Shakopee, MN 55379-1220

(952) 496-8386 • Fax (952) 496-8382

<http://www.co.scott.mn.us>

DATE: June 29, 2015

TO: The Citizens of Scott County  
The Board of County Commissioners

Subject: 2014 COMPREHENSIVE ANNUAL FINANCIAL REPORT

The Comprehensive Annual Financial Report (CAFR) of Scott County is submitted for the fiscal year ended December 31, 2014. The County's Office of Management and Budget prepared this report in conformity with generally accepted accounting principles (GAAP). Responsibility for both the accuracy and completeness of the presented data and the fairness of the presentation, including all disclosures, rests with the County. To the best of our knowledge and belief, the enclosed data is accurate in all material respects and sets forth the financial position and results of operations and cash flows of the County, as measured by the financial activity of its various funds, and all disclosures necessary to enable maximum understanding of the County's financial affairs.

### **Independent Audit**

Minnesota State Law requires an audit to be made of the books of account, financial records, and transactions of the County. This requirement has been complied with and the Auditor's report has been included in this report.

### **Single Audit**

As a recipient of federal, state and local financial assistance, the County is responsible for ensuring that adequate internal controls are in place to ensure compliance with applicable laws and regulations related to those programs. These internal controls are subject to periodic evaluation by management and the internal staff of the County.

Office of Management and Budget (OMB) Circular A-133 sets forth the audit requirements for state and local governments receiving federal assistance. It provides for a single independent audit of the financial operations, including the compliance with certain provisions of federal laws and regulations. The requirements have been established to ensure that audits are made on an organizational wide basis rather than a grant-by-grant basis. The grants for which these requirements applied are identified in the Schedule of Expenditures of Federal Awards.

As a part of the government's single audit, tests are made to determine the adequacy of the internal controls, including that portion related to federal financial assistance programs, as well as to determine that the County has complied with applicable laws and regulations.

### **Internal Controls**

In developing and evaluating the County's accounting system, consideration is given to the adequacy of the County's internal controls. Internal controls are designed to provide reasonable, but not absolute, assurance regarding: the safeguarding of assets against loss from unauthorized use or disposition; and the reliability of financial records for preparing financial statements and maintaining accountability for assets. The concept of reasonable assurance recognizes that the cost of a control should not exceed the benefits likely to be derived and the evaluation of costs and benefits requires estimates and judgments by management.

All internal control evaluations occur within the above framework. We believe the County's internal accounting controls adequately safeguard assets and provide reasonable assurance of proper recording of financial transactions. The County's internal controls are supported by policies and procedures and are continually reviewed, evaluated, and modified to meet current needs.

Generally accepted accounting principles (GAAP) require that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it.

### **Profile of the Government**

Scott County was organized in 1855 as a County in the State of Minnesota. It has an area of 375 square miles including 11 full and fractional townships and 7 incorporated municipalities. The 2014 population was 139,672. It is one of seven counties comprising the Twin Cities metropolitan area. The County seat, Shakopee, is located on the Minnesota River 25 miles southwest of the state capital, St. Paul.

Scott County operates under an elected five-member County Board, each member representing a district of the County. The County Board is responsible, among other things, for passing ordinances, adopting the budget, and the hiring of the County's Administrator. The County Administrator is responsible for carrying out the policies and ordinances of the County Board, for overseeing day-to-day operations of the government, and for appointing the heads of various divisions and departments. The County Board is elected on a non-partisan basis. County Board members serve four-year staggered terms.

The County provides a full range of services including public safety and law enforcement; courts and probation services; tax assessment and collection; vital statistics and public records; health and human services; highways, parks, public works and planning; environment management; and recreation and cultural services.

Various potential component units were evaluated to determine whether they should be reported in the County's financial report. A component unit was considered to be part of the County's reporting entity when it was concluded that the County was financially accountable for the entity or the nature and significance of the relationship between County and the entity was such that exclusion would cause the County's basic financial statements to be misleading or incomplete. Scott County has two blended component units: the Scott County Regional Railroad Authority (Authority) and the Scott Watershed Management Organization (WMO). The Authority was created pursuant to Minnesota Statutes. The Scott County Board of Commissioners appoints the Authority's five member board and the WMO's five member board. The Scott County Community Development Agency is a discretely presented component unit. The Agency was established in 1980 pursuant to special Minnesota legislation. Its five member board is also appointed by the Scott County Board of Commissioners.

### **Budgetary Controls**

The annual budget serves as the foundation for the Scott County Government financial planning and control. The County budgets at a more detailed level than is required by law in Minnesota or for federal programs. The budgets are developed by divisions and departments on a line item basis to cover their clients' needs, keeping in mind general guidelines set by the County Board of Commissioners. The divisions and departments submit their budget requests to the County Administrator, who must balance the competing needs against available resources. The County Board makes final adjustments to the budgets, which are then adopted and available for use on January 1<sup>st</sup> of the year. Budgetary control has traditionally been maintained at the department category level.

Division and department managers are held responsible for their budget performance. Compliance with budgets is essential for the County to maintain its sound financial condition.

### **Financial Policies**

The County has a fund balance policy mandating a minimum threshold for the General Fund. The policy requires a minimum unrestricted fund balance (committed, assigned and unassigned) at year end of 25-30% of operating expenditures.

### **Economic Condition and Outlook**

Scott County is in the Southwest quadrant of the Twin Cities Metropolitan Region. It is strategically located near an international airport, major rail lines, navigable rivers, and major interstate highways. The economic condition and outlook for Scott County reflects the economic vibrancy of the Metropolitan Region.

## Key Economic Indicators

Scott County continues to be one of the fastest growing counties in Minnesota. In 2009 the U.S. Census Bureau estimated it to be the 35<sup>th</sup> fastest growing county in the nation on a percentage growth basis since year 2000.

Economic Indicators	Amount	Annual Percent Change
Unemployment Rate (2014)	3.5%	(0.9)%
Number of Households (2013)	45,630	1.1%
Population (2014)	139,672	1.5%

## Population

Scott County was the fastest growing county in Minnesota during the decade of the 1990s. During that period the County's population grew almost 55% from 57,846 persons in 1990 to 89,498 in the 2000 Census. The U.S. Census Bureau estimates that the population in the County had increased to 139,672 by July 1, 2014. Scott County has the 9<sup>th</sup> largest population out of the 87 counties in Minnesota.

## Economy

Scott County continued to enjoy lower unemployment rates than the State of Minnesota and the United States in 2014. Scott County has a median household income (\$86,112); that is consistently among the highest of the counties in Minnesota. Approximately 5.5 percent of Scott County's residents live in poverty. The poverty rate is consistently among the lowest in Minnesota.

## Property Values and Taxation Trends

Scott County experienced an increase in property values last year after four years of declining property values. In 2014 Scott County experienced an increase of 2.5%, its first increase since 2009.

Year	Estimated Market Value		Assessed Valuation/ Tax Capacity Amount
	Amount	Percentage Growth	
2009	\$15,977,026,500	3.6%	\$168,846,666
2010	\$15,014,301,000	(6.0)%	\$162,663,128
2011	\$14,201,600,600	(5.4)%	\$156,397,701
2012	\$13,986,614,300	(1.5)%	\$147,880,081
2013	\$13,274,718,800	(5.1)%	\$140,113,811
2014	\$13,606,908,300	2.5%	\$158,646,339

Gross tax capacity has correspondingly increased or decreased as market values have increased or decreased.

## Awards and Acknowledgements


The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to Scott County for

its comprehensive annual financial report for the fiscal year ended December 31, 2013. This was the ninth consecutive year that the government has achieved this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current comprehensive annual financial report continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

The timely preparation of this report could not have been accomplished without the professional and dedicated hard work of the entire staff of the Office of Management and Budget. Also, cooperation was essential from many other departments. We wish to express our appreciation to all members of the staff who assisted and contributed to the report's preparation. We also wish to thank the members of the County Board for their interest and support this past year in planning and conducting the financial operations of the County in a responsible and progressive manner.

Respectfully submitted,



Kevin Ellsworth  
Chief Financial Officer

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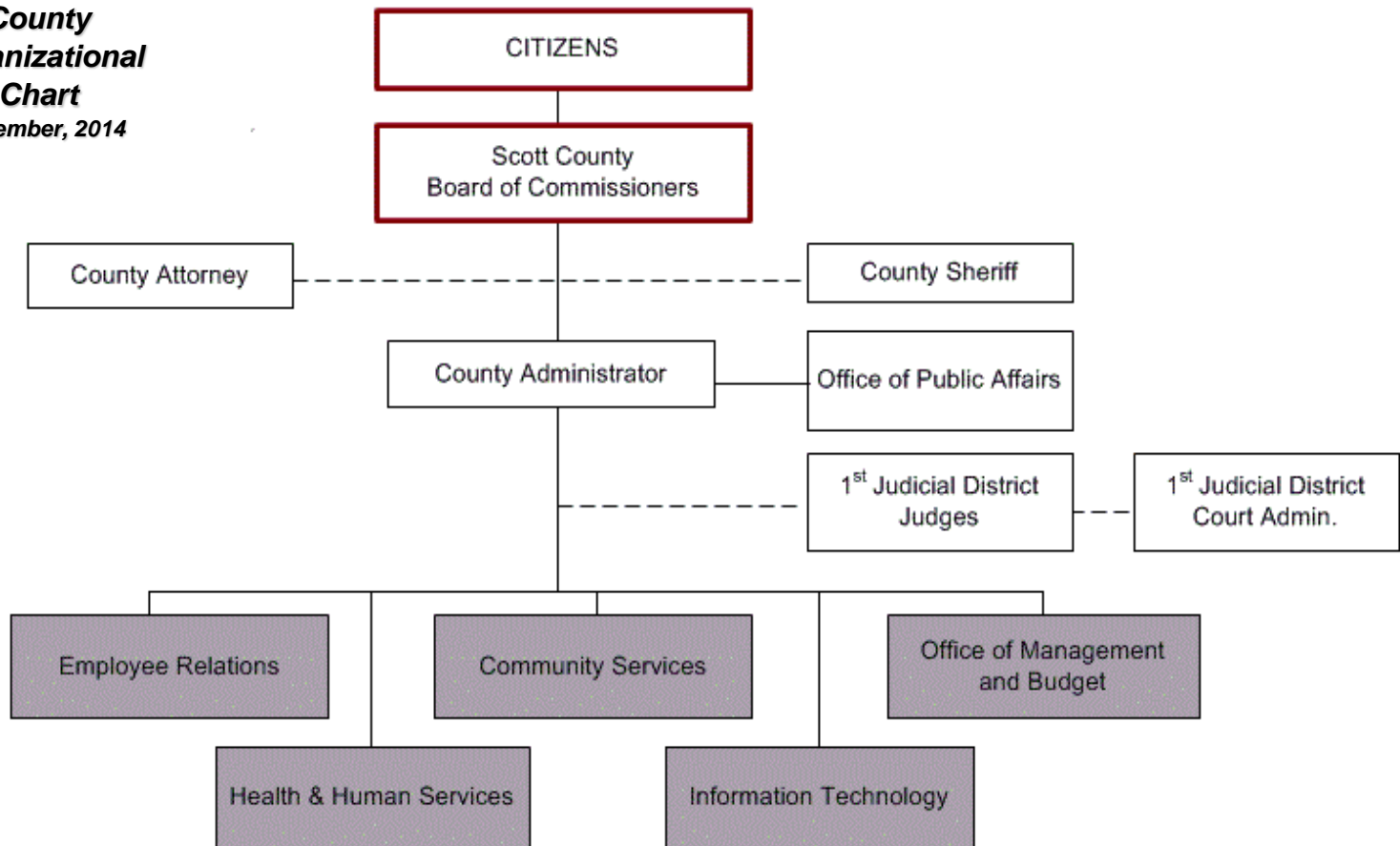
**SCOTT COUNTY  
SHAKOPEE, MINNESOTA**

**ORGANIZATION**

Elected			Term Expires
Commissioners			
Chair	Jon Ulrich	District 5	December 2018
Vice Chair	Barbara Marschall	District 4	December 2016
Board Member	Joe Wagner	District 1	December 2016
Board Member	Tom Wolf	District 2	December 2016
Board Member	Michael Beard	District 3	December 2018
Attorney	Ronald Hocevar		December 2018
County Sheriff	Kevin Studnicka		December 2018
Appointed			
Administrator	Gary Shelton		Indefinite
Agricultural Inspector	Dan Ekholm		Indefinite
Assessor	Michael Thompson		December 2016
Auditor / Treasurer	Cindy Geis		Indefinite
Deputy Administrator	Lezlie Vermillion		Indefinite
Drainage Inspector	James Hentges		Indefinite
Highway Engineer	Vacant		
Human Services Director	Judith Brumfield		Indefinite
Surveyor	James Hentges		May 2015
Veteran's Services Director	Jerry Brua		August 2018



**County  
Organizational  
Chart**  
December, 2014





Government Finance Officers Association

**Certificate of  
Achievement  
for Excellence  
in Financial  
Reporting**

Presented to

**Scott County  
Minnesota**

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended

**December 31, 2013**

A handwritten signature in black ink, reading "Jeffrey R. Egan". The signature is written in a cursive, flowing style.

Executive Director/CEO

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**SCOTT COUNTY  
SHAKOPEE, MINNESOTA**

**FINANCIAL SECTION**

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REBECCA OTTO  
STATE AUDITOR

# STATE OF MINNESOTA

## OFFICE OF THE STATE AUDITOR

SUITE 500  
525 PARK STREET  
SAINT PAUL, MN 55103-2139

(651) 296-2551 (Voice)  
(651) 296-4755 (Fax)  
state.auditor@state.mn.us (E-mail)  
1-800-627-3529 (Relay Service)

### INDEPENDENT AUDITOR'S REPORT

Board of County Commissioners  
Scott County  
Shakopee, Minnesota

#### Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of Scott County, Minnesota, as of and for the year ended December 31, 2014, and the related notes to the financial statements, which collectively comprise the County's basic financial statements, as listed in the table of contents.

#### *Management's Responsibility for the Financial Statements*

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

#### *Auditor's Responsibility*

Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of the Scott County Community Development Agency, the discretely presented component unit. Those statements were audited by other auditors whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for the discretely presented component unit, is based solely on the report of the other auditors. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the County's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the County's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

### ***Opinions***

In our opinion, based on our audit and the report of other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of Scott County as of December 31, 2014, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

### ***Other Matters***

#### ***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis and Required Supplementary Information as listed in the table of contents be presented to supplement the basic financial statements. Such information, although not part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

#### ***Supplementary and Other Information***

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Scott County's basic financial statements. The introductory section, the supplementary information, and the statistical section listed in the table of contents are presented for purposes of additional analysis and are not a required part of the basic financial statements.



The supplementary information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

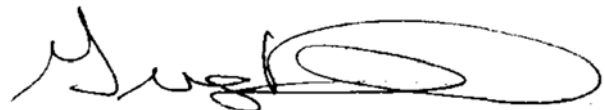
The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

#### **Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated June 29, 2015, on our consideration of Scott County's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Scott County's internal control over financial reporting and compliance. It does not include the Scott County Community Development Agency, which was audited by other auditors.



REBECCA OTTO  
STATE AUDITOR



GREG HIERLINGER, CPA  
DEPUTY STATE AUDITOR

June 29, 2015

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**SCOTT COUNTY  
SHAKOPEE, MINNESOTA**

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
DECEMBER 31, 2014  
(Unaudited)**

The Financial Management of Scott County offers the readers of Scott County's financial statements this narrative overview and analysis of the financial activities of Scott County for the fiscal year ended December 31, 2014. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal and the notes to the financial statements.

**Financial Highlights**

- The assets of Scott County exceeded its liabilities at the close of the most recent fiscal year by \$377,249,797 (net position). Of this amount, \$41,020,006 (unrestricted net position) may be used to meet the government's ongoing obligations to citizens and creditors.
- The government's total assets increased by \$39,698,728. This increase is largely due to the selling of an advanced crossover refunding bond and the construction of county highways with the federal and state government providing a portion of the funding.
- As of the close of the current fiscal year, Scott County governmental funds reported combined ending fund balances of \$75,588,736. Approximately 64% of this amount, \$48,300,549, is available for spending at the government's discretion (unrestricted fund balance).
- At the end of the current fiscal year, unrestricted fund balance for the General Fund was \$29,441,681, or 35% of the total general fund expenditures.
- Scott County's total long-term debt increased by \$19,108,546 or 27% during the current fiscal year. The key factors in this increase were the issuance of \$17,170,000 General Obligation Capital Improvement advanced cross over refunding bonds and the issuance of \$3,355,000 General Obligation Capital Improvement Bonds.

**Overview of the Financial Statements**

This discussion and analysis is intended to serve as an introduction to Scott County's basic financial statements. Scott County's basic financial statements comprise three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

**Government-wide financial statements.** The *government-wide financial statements* are designed to provide readers with a broad overview of Scott County's finances, in a manner similar to a private-sector business.

The *statement of net position* presents information on all of Scott County's assets and liabilities, with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of Scott County is improving or deteriorating.

The *statement of activities* presents information showing how the government's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

Both of the government-wide financial statements have functions of Scott County that are principally supported by taxes and intergovernmental revenues (governmental activities). The governmental activities of Scott County include general government, public safety, highways and streets, transit, human services, health, culture and recreation, conservation of natural resources, and economic development.

The government-wide financial statements include not only Scott County itself (known as the primary government), but also a legally separate Scott County Community Development Agency for which Scott County is financially accountable. Financial information for the component unit is reported separately from the financial information presented for the primary government itself.

The government-wide financial statements can be found on pages 23 – 27 of this report.

**Fund Financial Statements.** A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. Scott County, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related requirements. All of the funds of Scott County can be divided into three categories: governmental funds, proprietary funds and fiduciary funds.

**Governmental funds.** Governmental funds are used to account for essentially the same functions reported as *governmental activities* in the government-wide financial statement. However, unlike the government-wide financial statements, governmental fund financial statements focus on *near-term inflows and outflows of spendable resources*, as well as on *balances of spendable resources* available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

Scott County maintains ten individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General Fund, Debt Service Fund, Road and Bridge Construction Fund and Capital Improvement Fund, all of which are considered major funds. Data from the Ditch Fund, Law Library Fund, Regional Railroad Authority Fund, Regional Training Facility Fund, Transportation Initiative Fund and Watershed Management Organization Fund are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of combining statements elsewhere in this report.

Scott County adopts an annual appropriated budget for its four major governmental funds and its nonmajor governmental funds except the Ditch Fund, Regional Railroad Authority Fund, Regional Training Facility Fund and the Transportation Initiative Fund. A budgetary comparison schedule has been provided for these funds to demonstrate compliance with their budgets.

The basic governmental fund financial statements can be found on pages 28 – 38 of this report.

*General Fund.* The General Fund is used to account for all financial resources except those to be accounted for in another fund.

*Special Revenue Fund.* Special Revenue governmental funds account for the proceeds of specific revenues that are restricted to expenditures for specific purposes. The Special Revenue Funds include:

- Ditch
- Law Library
- Regional Railroad Authority
- Regional Training Facility
- Transportation Initiative
- Watershed Management Organization

*Debt Service Fund.* The Debt Service Fund accounts for the payment of principal, interest and fiscal charges on long-term obligations of Scott County.

*Capital Projects Fund.* The Capital Projects Funds track major construction projects. The Capital Projects Funds include:

- Road and Bridge Construction
- Capital Improvement

**Proprietary funds.** Scott County uses only one type of proprietary fund. Internal Service funds are an accounting device used to accumulate and allocate costs internally among Scott County's various functions. Scott County uses an internal service fund to account for its self-insurance and an additional internal service fund to fund future other postemployment benefits in a revocable trust fund.

The proprietary fund financial statements can be found on Exhibits 7 through 9 of this report.

**Fiduciary Funds.** Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statement because resources of those funds are not available to support Scott County's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds.

The basic fiduciary fund financial statements can be found on Exhibits 10 and 11 of this report.

**Notes to the Financial Statements.** The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 44 – 91 of this report.

**Other Information.** In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information. The combining statements referred to earlier in connection with nonmajor governmental funds are presented at the beginning of the supplementary information section. Combining and individual fund statements and schedules can be found on pages 97 and 98 of this report.

### **Government-wide Financial Analysis**

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of Scott County, assets exceeded liabilities by \$377,249,797 at the close of the most recent fiscal year.

Net investment in capital assets of \$306,794,026 (e.g., land, buildings, machinery and equipment, infrastructure and construction in progress, less any related debt used to acquire assets that is still outstanding) represents 81% of total net position. Scott County uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although Scott County's investments in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

Approximately 8% of Scott County's net position represent resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net position \$41,020,006 or approximately 11% may be used to meet the government's ongoing obligations to citizens and creditors.

### Scott County's Net Position

	Governmental Activities	
	2014	2013
Current and other assets	\$ 108,149,052	\$ 79,765,375
Capital assets	<u>380,173,032</u>	<u>368,857,981</u>
Total assets	<u>488,322,084</u>	<u>448,623,356</u>
Long-term liabilities outstanding	101,042,333	80,987,769
Other liabilities	<u>10,029,954</u>	<u>8,744,548</u>
Total liabilities	<u>111,072,287</u>	<u>89,732,317</u>
Net Position:		
Net investment in capital assets	306,794,026	297,182,966
Restricted	29,435,765	7,139,661
Unrestricted	<u>41,020,006</u>	<u>54,568,412</u>
Total net position	<u>\$ 377,249,797</u>	<u>\$ 358,891,039</u>

At the end of the current fiscal year, Scott County is able to report positive balances in all three categories of net position. The same held true for the prior fiscal year.

Key elements of the increase in net position are as follows: Scott County's net position increased by \$18,358,758 during the current fiscal year. This increase is the combination of many surpluses and deficits but the primary changes occurred from the acquisition of land and construction of highways and streets in Scott County. In 2014 Scott County continued construction expansion of County Highways 1, 12, 17 and 44. County Highways 1, 12, 17 and 44 had \$13,296,276 of construction work completed during 2014 and Scott County acquired \$2,066,787 of land. The construction expenses of these projects are capitalized for the government-wide statements and depreciated over the useful life of the assets.

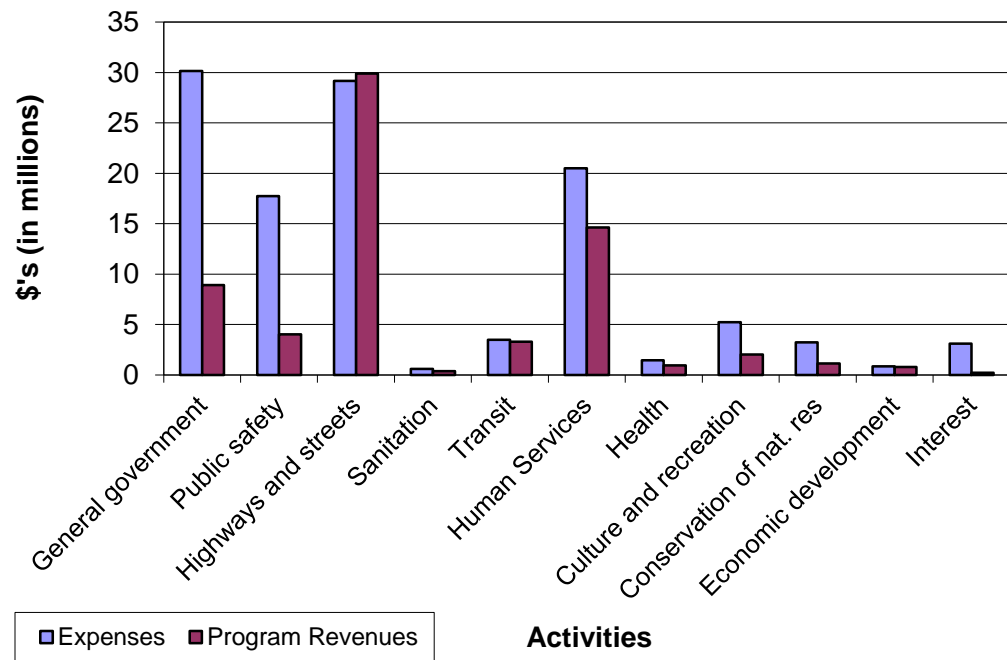
### Scott County's Changes in Net Position

	Governmental Activities	
	2014	2013
Revenues:		
Program revenues:		
Fees, charges, fines and other	\$ 14,213,430	\$ 12,711,650
Operating grants and contributions	30,615,377	25,184,387
Capital grants and contributions	21,439,843	17,758,672
General revenues:		
Property taxes	57,894,286	57,332,363
Payment in lieu of taxes	70,669	65,026
Grants and contributions not restricted to specific programs	6,589,766	8,120,359
Investment earnings	1,118,634	(403,119)
Miscellaneous	2,027,972	1,407,242
Total Revenues	<u>\$ 133,969,977</u>	<u>\$ 122,176,580</u>
Expenses:		
General government	\$ 30,143,892	\$ 25,229,256
Public safety	17,743,767	17,268,253
Highway and streets	29,186,953	26,439,022
Sanitation	607,561	0
Transit	3,505,356	3,332,636
Human services	20,503,295	19,510,732
Health	1,472,934	1,316,532
Culture and recreation	5,251,659	4,050,068
Conservation of natural resources	3,230,343	2,151,983
Economic development	841,163	981,813
Interest	3,124,296	3,895,230
Total Expenses	<u>\$ 115,611,219</u>	<u>\$ 104,175,525</u>
Change in net position	\$ 18,358,758	\$ 18,001,055
Net position 1/1	<u>358,891,039</u>	<u>340,889,984</u>
Net position 12/31	<u><u>\$ 377,249,797</u></u>	<u><u>\$ 358,891,039</u></u>

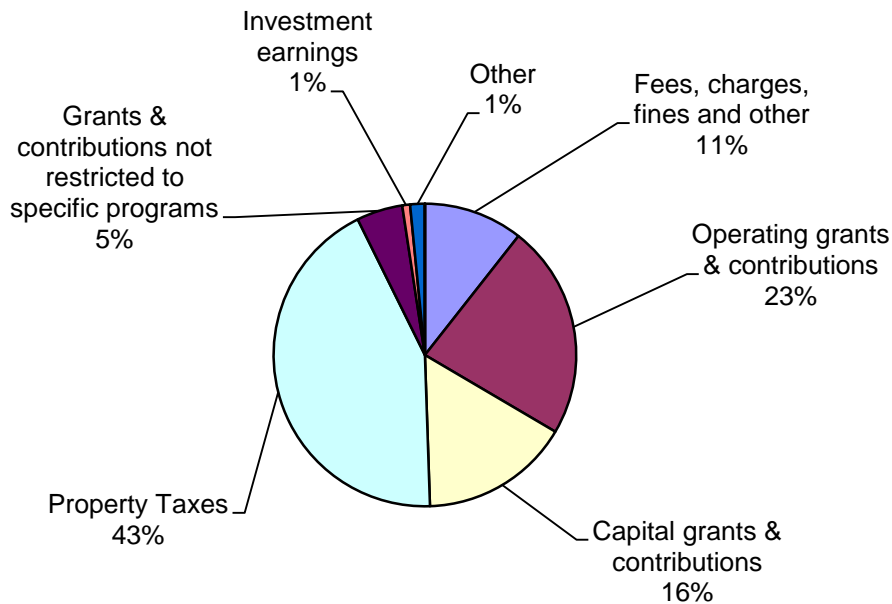
Expenses increased in 2014 primarily due to increased spending for road construction projects during 2014 and expenses related to flooding. Capital grants and contributions increased by \$3,681,171 and operating grants and contributions increased by \$5,430,990. A primary driver for both of these increases was from grant funding to reimburse for expenses related to flooding that occurred during 2014.



### Expenses and Program Revenues – Governmental Activities



### Revenues by Source - Governmental Activities



### Financial Analysis of the Government's Funds

As noted earlier, Scott County uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

**Governmental funds.** The focus of Scott County *governmental funds* is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing Scott County's financing requirements. In particular, unrestricted fund balances may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

As of the end of the current fiscal year, Scott County's governmental funds reported combined ending fund balances of \$75,588,736, an increase of \$23,549,354 in comparison with the prior year. Of the total amount, \$48,300,549, constitutes unrestricted fund balance, which is available for spending at the government's discretion. The remainder of fund balance is considered nonspendable or restricted to indicate that it is not available for new spending because it has been restricted for various reasons either by state law, grant agreements, or bond covenants. The main driver in the increase in fund balance was from the issuance of an advance cross-over refunding bond for \$17,170,000 in 2014.

The General Fund is the chief operating fund of Scott County. At the end of the current fiscal year, unrestricted fund balance of the General Fund was \$29,441,681, while total fund balance

increased to \$35,189,993. As a measure of the General Fund's liquidity, it may be useful to compare both unrestricted fund balance and the total fund balance to total fund expenditures. Unrestricted fund balance represents 35% of total General Fund expenditures, while total fund balance represents 42% of that same amount.

The fund balance of Scott County's General Fund increased by \$1,622,266 during the current fiscal year. A key factor in this increase was approximately \$600,000 in savings from foster care expenses, investment income exceeding plan by approximately \$425,000 and the Long Term Support and Services funding exceeding plan by approximately \$500,000.

The Road and Bridge Construction Fund had a total fund balance of \$12,822,264 at the end of the current fiscal year. The fund balance of the Road and Bridge Construction Fund decreased by \$29,778 during the current fiscal year due to more construction work being completed than planned in 2014.

The Capital Improvement Fund had a total fund balance of \$4,700,939 at the end of the current fiscal year. The Capital Improvement Fund increased by \$2,199,252 during the fiscal year. This increase is primarily due to the issuance of \$3,355,000 General Obligation Capital Improvement Bonds during 2014.

The Debt Service Fund had a total fund balance of \$20,713,794 at the end of the current fiscal year. The Debt Service Fund increased by \$20,079,765 during the current fiscal year. The increase was the result of issuing \$17,170,000 advanced cross-over refunding bonds with an additional premium of \$2,983,257.

The Ditch Fund had a total fund balance of \$145,374 at the end of the current fiscal year. The fund balance of the Ditch Fund increased by \$2,338 during the fiscal year. This increase was due to some late special assessment collected and investment earnings.

The Regional Railroad Authority Fund had a fund balance of \$96,785 at the end of the current fiscal year. Fund balance decreased by \$694 due to operational expenses of the fund.

### **General Fund Budgetary Highlights**

There were no changes between the original budget and the final amended budget for the current fiscal year in the General Fund.

The variance of the final budget versus actual was due to increased home construction and remodels for increased building permit fees and document recording fees, savings from out of home placements expenses for foster care and increased investment earnings. These favorable variances were offset by increased seal coating and flood related expenses.

## Capital Asset and Debt Administration

**Capital Assets.** Scott County's investment in capital assets as of December 31, 2014, amounted to \$380,173,032 (net of accumulated depreciation). This investment in capital assets includes land, buildings, machinery and equipment, infrastructure, and construction in progress. The total increase in the Scott County investment in capital assets for the current year was approximately 3%.

Major capital asset events during the current fiscal year included the following:

- Continued infrastructure construction on highways. Completion of road construction projects for Highways 29 and 79 amounted to an increase to infrastructure of \$1,507,415. Construction in progress increased by \$15,165,386 primarily from work completed on Highways 1, 12, 17 and 44 and bridges.
- Acquisition of land in the amount of \$2,066,787.

### Scott County's Capital Assets (net of depreciation)

	Governmental Activities	
	2014	2013
Land	\$ 89,183,352	\$ 87,116,565
Land Improvements	855,440	748,349
Buildings	50,860,875	52,652,865
Machinery and Equipment	6,857,006	6,233,920
Infrastructure	203,161,098	206,508,992
Construction in Progress	29,255,261	15,597,290
Total	<u>\$ 380,173,032</u>	<u>\$ 368,857,981</u>

Additional information on Scott County's capital assets can be found in the notes on pages 59 and 60 of this report.

**Long-term Debt.** At the end of the current fiscal year, Scott County had total bonded debt outstanding of \$88,079,708. This is an increase of \$18,930,019 from the start of the year. Current and future county tax levies are used to finance \$88,079,708 of the bond indebtedness. The increase in the total bonded debt is related to the issuance of \$17,170,000 advanced cross-over refunding bonds and the issuance of \$3,355,000 2014A General Obligation Capital Improvement Bonds.

**Scott County's Outstanding Debt**  
General Obligation Bonds

	Governmental Activities	
	2014	2013
General Obligation Bonds	<u>\$ 88,079,708</u>	<u>\$ 69,149,689</u>

State statutes limit the amount of general obligation debt a county can incur to no more than 3% of the market value of taxable property in the county. The current debt limitation for Scott County is \$408,207,249, which is significantly in excess of Scott County's outstanding general obligation debt.

Additional information on Scott County's long-term debt can be found in the notes on pages 62 - 64 of this report.

**Economic Factors and Next Year's Budgets and Rates**

- The unemployment rate for Scott County is currently 3.5%, which is a decrease from a rate of 4.4% a year ago. This compares favorably to the State's average unemployment rate of 4.1% and the national average of 6.2%.

These factors were considered in preparing Scott County's budget for the 2015 fiscal year.

**Requests for Information**

This financial report is designed to provide a general overview of Scott County's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Office of Management and Budget Division, 200 Fourth Avenue West, Government Center, Shakopee, Minnesota 55379-1220. Or visit our website at [www.co.scott.mn.us](http://www.co.scott.mn.us).

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## **BASIC FINANCIAL STATEMENTS**

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**SCOTT COUNTY  
SHAKOPEE, MINNESOTA**

**Exhibit 1**

**STATEMENT OF NET POSITION  
DECEMBER 31, 2014**

	<b><u>Primary Government Governmental Activities</u></b>	<b><u>Component Unit Community Development Agency</u></b>
<b><u>Assets</u></b>		
Cash and pooled investments	\$ 59,151,415	\$ 8,170,322
Petty cash and change funds	7,670	-
Cash with fiscal agent	19,885,687	-
OPEB revocable trust investments	11,111,341	-
Taxes receivable		
Prior - net	864,718	-
Accounts receivable - net	708,237	132,981
Accrued interest receivable	124,614	7,287
Loans receivable	1,922,648	350,000
Due from other governments	13,627,529	171,367
Inventories	745,193	-
Prepaid items	-	149,361
Restricted assets		
Cash and pooled investments	-	7,373,113
Capital assets		
Non-depreciable	118,438,613	6,457,982
Depreciable - net of accumulated depreciation	261,734,419	53,191,645
<b>Total Assets</b>	<b><u>\$ 488,322,084</u></b>	<b><u>\$ 76,004,058</u></b>
<b><u>Deferred Outflows of Resources</u></b>		
Deferred charges on refunding	<b><u>\$ -</u></b>	<b><u>\$ 738,380</u></b>

**SCOTT COUNTY  
SHAKOPEE, MINNESOTA**

**Exhibit I**  
**(Continued)**

**STATEMENT OF NET POSITION  
DECEMBER 31, 2014**

	<b>Primary Government Governmental Activities</b>	<b>Component Unit Community Development Agency</b>
<b><u>Liabilities</u></b>		
Accounts payable	\$ 2,494,459	\$ 349,290
Salaries payable	2,747,987	60,913
Contracts payable	1,759,187	-
Retainage payable	866,315	-
Due to other governments	773,454	377,118
Accrued interest payable	717,375	714,227
Security deposit payable	-	328,999
Unearned revenue	671,177	9,518
Long-term liabilities:		
Due within one year		
General obligation bonds payable	3,850,000	-
Revenue bonds payable	-	1,535,000
Loans payable	2,024,108	73,835
Claims payable	583,154	-
Compensated absences	3,242,110	73,989
Due in more than one year		
General obligation bonds payable	84,229,708	-
Revenue bonds payable	-	39,410,000
Loans payable	679,745	2,751,424
Net other post employment benefit obligation	4,607,321	281,498
Non current liabilities other	-	26,591
Compensated absences	1,826,187	19,032
<b>Total Liabilities</b>	<b>\$ 111,072,287</b>	<b>\$ 46,011,434</b>

**SCOTT COUNTY  
SHAKOPEE, MINNESOTA**

**Exhibit I**  
**(Continued)**

**STATEMENT OF NET POSITION  
DECEMBER 31, 2014**

	<b><u>Primary Government Governmental Activities</u></b>	<b><u>Component Unit Community Development Agency</u></b>
<b><u>Net Position</u></b>		
Net investment in capital assets	\$ 306,794,026	\$ 16,617,748
Restricted for		
Debt service	20,713,794	1,328,127
Recorders technology and equipment	432,142	-
Solid waste management	2,123,284	-
Law enforcement	101,199	-
MNDOT allotments	2,892,771	-
Gravel pit restoration	202,401	-
Veterans services	2,765	-
Local recycling program	769,287	-
SCORE	949,020	-
Enhanced 911	114,123	-
Aquatic invasive species program	31,924	-
Administering the carrying of weapons	276,974	-
Ditch maintenance and repairs	145,374	-
Transportation initiative	331,189	-
Law library	252,733	-
Regional rail authority	96,785	-
Other purposes	-	4,688,814
Unrestricted	41,020,006	8,096,315
<b>Total Net Position</b>	<b>\$ 377,249,797</b>	<b>\$ 30,731,004</b>

**SCOTT COUNTY  
SHAKOPEE, MINNESOTA**

**STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED DECEMBER 31, 2014**

			<b>Program Revenues</b>
			<b>Operating</b>
	<b>Expenses</b>	<b>Fees, Charges, Fines, and Other</b>	<b>Grants and Contributions</b>
<b><u>Functions/Programs</u></b>			
<b>Primary government</b>			
<b>Governmental activities</b>			
General government	\$ 30,143,892	\$ 6,890,000	\$ 2,031,828
Public safety	17,743,767	1,859,285	2,177,245
Highways and streets	29,186,953	772,082	7,676,662
Sanitation	607,561	-	372,925
Transit	3,505,356	1,313,284	1,976,858
Human services	20,503,295	2,429,197	12,197,375
Health	1,472,934	55,705	908,424
Culture and recreation	5,251,659	682,658	1,350,475
Conservation of natural resources	3,230,343	211,219	920,983
Economic development	841,163	-	788,447
Interest	3,124,296	-	214,155
<b>Total governmental activities</b>	<b>\$ 115,611,219</b>	<b>\$ 14,213,430</b>	<b>\$ 30,615,377</b>
<b>Total Primary Government</b>	<b>\$ 115,611,219</b>	<b>\$ 14,213,430</b>	<b>\$ 30,615,377</b>
<b>Component units</b>			
Community Development Agency	<b>\$ 11,809,066</b>	<b>\$ 6,271,516</b>	<b>\$ 3,470,482</b>
<b>General Revenues</b>			
Property taxes			
Gravel taxes			
Wheelage taxes			
Mortgage registry and deed tax			
Payments in lieu of tax			
Grants and contributions not restricted to specific programs			
Unrestricted investment earnings			
Miscellaneous			
<b>Total general revenues</b>			
<b>Change in Net Position</b>			
<b>Net Position - Beginning</b>			
<b>Net Position - Ending</b>			

**Exhibit 2**

<b>Net (Expense) Revenue and Changes in Net Assets</b>		
<b>Capital Grants and Contributions</b>	<b>Primary Government Governmental Activities</b>	<b>Component Unit Community Development Agency</b>
\$ -	\$ (21,222,064)	
-	(13,707,237)	
21,439,843	701,634	
-	(234,636)	
-	(215,214)	
-	(5,876,723)	
-	(508,805)	
-	(3,218,526)	
-	(2,098,141)	
-	(52,716)	
-	(2,910,141)	
\$ 21,439,843	\$ (49,342,569)	
<b>\$ 21,439,843</b>	<b>\$ (49,342,569)</b>	
<b>\$ 18,539</b>		<b>\$ (2,048,529)</b>
	\$ 57,894,286	\$ 2,470,075
	177,084	-
	1,159,298	-
	691,590	-
	70,669	-
	6,589,766	233,156
	1,118,634	54,539
	-	28,215
	<b>\$ 67,701,327</b>	<b>\$ 2,785,985</b>
	<b>\$ 18,358,758</b>	<b>\$ 737,456</b>
	<b>358,891,039</b>	<b>29,993,548</b>
	<b>\$ 377,249,797</b>	<b>\$ 30,731,004</b>

**SCOTT COUNTY  
SHAKOPEE, MINNESOTA**

**BALANCE SHEET  
GOVERNMENTAL FUNDS  
DECEMBER 31, 2014**

	<u>General</u>	<u>Road and Bridge Construction</u>
<b><u>Assets</u></b>		
Cash and pooled investments	\$ 35,228,052	\$ 13,568,778
Petty cash and change funds	7,590	-
Cash with fiscal agent	-	-
Taxes receivable		
Prior	619,798	76,497
Accounts receivable	634,815	33,398
Accrued interest receivable	72,570	16,596
Loans receivable	-	579,687
Due from other governments	5,025,604	6,109,669
Inventories	745,193	-
<b>Total Assets</b>	<b><u>\$ 42,333,622</u></b>	<b><u>\$ 20,384,625</u></b>
 <b><u>Liabilities, Deferred Inflows of Resources, and Fund Balances</u></b>		
<b>Liabilities</b>		
Accounts payable	\$ 2,054,120	\$ 160,388
Salaries payable	2,725,831	-
Contracts payable	6,646	1,673,118
Retainage payable	-	866,315
Due to other governments	521,665	21,825
Unearned revenue	93,329	-
<b>Total Liabilities</b>	<b><u>\$ 5,401,591</u></b>	<b><u>\$ 2,721,646</u></b>
<b>Deferred Inflows of Resources</b>		
Unavailable revenue	<b><u>\$ 1,742,038</u></b>	<b><u>\$ 4,840,715</u></b>

**Exhibit 3**

<b><u>Capital Improvement</u></b>	<b><u>Debt Service</u></b>	<b><u>Other Governmental Funds</u></b>	<b><u>Total Governmental Funds</u></b>
\$ 2,224,204	\$ 829,174	\$ 2,949,896	\$ 54,800,104
-	-	80	7,670
-	19,885,687	-	19,885,687
21,407	113,473	16,142	847,317
35,246	-	4,778	708,237
4,755	20,449	4,509	118,879
1,342,961	-	-	1,922,648
2,413,202	-	79,054	13,627,529
-	-	-	745,193
<b><u>\$ 6,041,775</u></b>	<b><u>\$ 20,848,783</u></b>	<b><u>\$ 3,054,459</u></b>	<b><u>\$ 92,663,264</u></b>
\$ 228,200	\$ 4,500	\$ 47,251	\$ 2,494,459
3,708	-	18,448	2,747,987
79,423	-	-	1,759,187
-	-	-	866,315
4,141	-	225,823	773,454
-	-	577,848	671,177
<b><u>\$ 315,472</u></b>	<b><u>\$ 4,500</u></b>	<b><u>\$ 869,370</u></b>	<b><u>\$ 9,312,579</u></b>
<b><u>\$ 1,025,364</u></b>	<b><u>\$ 130,489</u></b>	<b><u>\$ 23,343</u></b>	<b><u>\$ 7,761,949</u></b>

**SCOTT COUNTY  
SHAKOPEE, MINNESOTA**

**BALANCE SHEET  
GOVERNMENTAL FUNDS  
DECEMBER 31, 2014**

	<u>General</u>	<u>Road and Bridge Construction</u>
<b>Fund Balances</b>		
Non Spendable		
Inventory	\$ 745,193	\$ -
Restricted		
Solid waste management	2,123,284	-
Recorder's technology and equipment	432,142	-
Enhanced 911	114,123	-
Local recycling development	769,287	-
SCORE	949,020	-
Aquatic invasive species program	31,924	-
Administering the carrying of weapon	276,974	-
Law enforcement	101,199	-
Gravel pit restoration	202,401	-
Veteran's services	2,765	-
Debt service	-	-
Ditch maintenance and repairs	-	-
Law library	-	-
Regional railroad authority	-	-
Transportation initiative	-	-
Assigned		
Wheelage tax construction projects	-	465,992
Unified management plan	4,657	-
County parks	778,482	-
Library operations	102,710	-
Meth task force	120,625	-
Sheriff	145,807	-
Juvenile alternative facility wood program	6,700	-
Extension services	20,499	-
Elections	35,000	-
Juvenile restitution	134,238	-
Road and bridge construction	-	12,356,272
Capital improvement	-	-
Conservation of natural resources	-	-
Public safety	-	-
Unassigned	28,092,963	-
<b>Total Fund Balances</b>	<b>\$ 35,189,993</b>	<b>\$ 12,822,264</b>
<b>Total Liabilities, Deferred Inflows of Resources, and Fund Balances</b>	<b>\$ 42,333,622</b>	<b>\$ 20,384,625</b>



**Exhibit 3**  
**(Continued)**

<b><u>Capital Improvement</u></b>	<b><u>Debt Service</u></b>	<b><u>Other Governmental Funds</u></b>	<b><u>Total Governmental Funds</u></b>
\$ -	\$ -	\$ -	\$ 745,193
-	-	-	2,123,284
-	-	-	432,142
-	-	-	114,123
-	-	-	769,287
-	-	-	949,020
-	-	-	31,924
-	-	-	276,974
-	-	-	101,199
-	-	-	202,401
-	-	-	2,765
-	20,713,794	-	20,713,794
-	-	145,374	145,374
-	-	252,733	252,733
-	-	96,785	96,785
-	-	331,189	331,189
-	-	-	465,992
-	-	-	4,657
-	-	-	778,482
-	-	-	102,710
-	-	-	120,625
-	-	-	145,807
-	-	-	6,700
-	-	-	20,499
-	-	-	35,000
-	-	-	134,238
-	-	-	12,356,272
4,700,939	-	-	4,700,939
-	-	659,083	659,083
-	-	676,582	676,582
-	-	-	28,092,963
<b><u>\$ 4,700,939</u></b>	<b><u>\$ 20,713,794</u></b>	<b><u>\$ 2,161,746</u></b>	<b><u>\$ 75,588,736</u></b>
<b><u>\$ 6,041,775</u></b>	<b><u>\$ 20,848,783</u></b>	<b><u>\$ 3,054,459</u></b>	<b><u>\$ 92,663,264</u></b>

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**SCOTT COUNTY  
SHAKOPEE, MINNESOTA**

**Exhibit 4**

**RECONCILIATION OF GOVERNMENTAL FUNDS BALANCE SHEET  
TO THE GOVERNMENT-WIDE STATEMENT OF NET POSITION--GOVERNMENTAL ACTIVITIES  
DECEMBER 31, 2014**

<b>Fund balances - total governmental funds (Exhibit 3)</b>	<b>\$</b>	<b>75,588,736</b>
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Amounts reported for governmental activities in the statement of net position are different because:

Capital assets, net of accumulated depreciation, used in governmental activities are not financial resources and, therefore, are not reported in the governmental funds.		380,173,032
--	--	-------------

Other long-term assets are not available to pay for current period expenditures and, therefore, are reported as deferred inflows of resources in the governmental funds.		7,761,949
--	--	-----------

Internal service funds are used by management to charge the costs of self-insurance to individual funds. The assets and liabilities included in governmental activities in the statement of net position are:		14,902,634
---	--	------------

Long-term liabilities, including bonds payable, are not due and payable in the current period and, therefore, are not reported in the governmental funds.

General obligation bonds	\$ (88,079,708)	
Loans payable	(2,703,853)	
Compensated absences	(5,068,297)	
Accrued interest payable	(717,375)	
Net other post employment benefit obligation	(4,607,321)	(101,176,554)

<b>Net Position of Governmental Activities (Exhibit 1)</b>	<b>\$</b>	<b><u>377,249,797</u></b>
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**SCOTT COUNTY  
SHAKOPEE, MINNESOTA**

**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
GOVERNMENTAL FUNDS  
FOR THE YEAR ENDED DECEMBER 31, 2014**

	<u>General</u>	<u>Road and Bridge Construction</u>
<b>Revenues</b>		
Taxes	\$ 43,715,361	\$ 6,178,040
Special assessments	-	-
Licenses and permits	1,394,179	-
Intergovernmental	29,784,962	25,740,419
Charges for services	9,448,875	50
Fines and forfeits	298,302	-
Gifts and contributions	78,100	-
Investment earnings	810,798	122,947
Miscellaneous	2,207,376	47,514
	<hr/>	<hr/>
<b>Total Revenues</b>	<b>\$ 87,737,953</b>	<b>\$ 32,088,970</b>
	<hr/>	<hr/>
<b>Expenditures</b>		
<b>Current</b>		
General government	\$ 26,111,282	\$ -
Public safety	15,541,526	-
Highways and streets	9,668,258	-
Sanitation	388,692	-
Transit	3,531,791	-
Human services	21,350,609	-
Health	1,508,546	-
Culture and recreation	4,325,258	-
Conservation of natural resources	668,469	-
Economic development	859,415	-
<b>Intergovernmental</b>		
Highways and streets	218,869	-
<b>Capital outlay</b>	-	31,840,721
<b>Debt service</b>		
Principal	-	-
Interest	-	-
Bond issuance costs	-	-
Administrative (fiscal) charges	-	-
	<hr/>	<hr/>
<b>Total Expenditures</b>	<b>\$ 84,172,715</b>	<b>\$ 31,840,721</b>
	<hr/>	<hr/>
<b>Excess of Revenues Over (Under)</b>		
<b>Expenditures</b>	<b>\$ 3,565,238</b>	<b>\$ 248,249</b>
	<hr/>	<hr/>

**Exhibit 5**

<b><u>Capital Improvement</u></b>	<b><u>Debt Service</u></b>	<b><u>Nonmajor Funds</u></b>	<b><u>Total</u></b>
\$ 1,586,547	\$ 7,737,095	\$ 1,000,466	\$ 60,217,509
-	-	9,236	9,236
-	-	-	1,394,179
938,418	-	1,509,998	57,973,797
478,544	-	331,255	10,258,724
-	-	-	298,302
-	-	1,850	79,950
91,681	17,473	17,144	1,060,043
136,838	-	34,189	2,425,917
<b><u>\$ 3,232,028</u></b>	<b><u>\$ 7,754,568</u></b>	<b><u>\$ 2,904,138</u></b>	<b><u>\$ 133,717,657</u></b>
\$ -	\$ -	\$ 204,432	\$ 26,315,714
-	-	552,072	16,093,598
-	-	138,102	9,806,360
-	-	-	388,692
-	-	-	3,531,791
-	-	-	21,350,609
-	-	-	1,508,546
-	-	-	4,325,258
-	-	2,568,528	3,236,997
-	-	1,212	860,627
-	-	-	218,869
6,852,430	-	-	38,693,151
-	4,656,028	-	4,656,028
-	2,873,641	-	2,873,641
-	289,321	-	289,321
-	9,070	-	9,070
<b><u>\$ 6,852,430</u></b>	<b><u>\$ 7,828,060</u></b>	<b><u>\$ 3,464,346</u></b>	<b><u>\$ 134,158,272</u></b>
<b><u>\$ (3,620,402)</u></b>	<b><u>\$ (73,492)</u></b>	<b><u>\$ (560,208)</u></b>	<b><u>\$ (440,615)</u></b>

**SCOTT COUNTY  
SHAKOPEE, MINNESOTA**

**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
GOVERNMENTAL FUNDS  
FOR THE YEAR ENDED DECEMBER 31, 2014**

	<u>General</u>	<u>Road and Bridge Construction</u>
<b>Other Financing Sources (Uses)</b>		
Transfers in	\$ 157,518	\$ -
Transfers out	(2,335,045)	(278,027)
Bonds issued	-	-
Refunding bonds issued	-	-
Premium on bonds issued	-	-
Septic loans issued	234,555	-
Proceeds from sale of capital assets	-	-
	<hr/>	<hr/>
<b>Total Other Financing Sources (Uses)</b>	<b>\$ (1,942,972)</b>	<b>\$ (278,027)</b>
	<hr/>	<hr/>
<b>Change in Fund Balance</b>	<b>\$ 1,622,266</b>	<b>\$ (29,778)</b>
	<hr/>	<hr/>
<b>Fund Balance - January 1</b>	<b>33,567,727</b>	<b>12,852,042</b>
	<hr/>	<hr/>
<b>Fund Balance - December 31</b>	<b>\$ 35,189,993</b>	<b>\$ 12,822,264</b>
	<hr/> <hr/>	<hr/> <hr/>

**Exhibit 5**  
**(Continued)**

<b><u>Capital Improvement</u></b>	<b><u>Debt Service</u></b>	<b><u>Nonmajor Funds</u></b>	<b><u>Total</u></b>
\$ 2,335,045	\$ -	\$ 238,057	\$ 2,730,620
(117,548)	-	-	(2,730,620)
3,355,000	-	-	3,355,000
-	17,170,000	-	17,170,000
120,911	2,983,257	-	3,104,168
-	-	-	234,555
126,246	-	-	126,246
<b><u>\$ 5,819,654</u></b>	<b><u>\$ 20,153,257</u></b>	<b><u>\$ 238,057</u></b>	<b><u>\$ 23,989,969</u></b>
\$ 2,199,252	\$ 20,079,765	\$ (322,151)	\$ 23,549,354
<b><u>2,501,687</u></b>	<b><u>634,029</u></b>	<b><u>2,483,897</u></b>	<b><u>52,039,382</u></b>
<b><u>\$ 4,700,939</u></b>	<b><u>\$ 20,713,794</u></b>	<b><u>\$ 2,161,746</u></b>	<b><u>\$ 75,588,736</u></b>

**SCOTT COUNTY  
SHAKOPEE, MINNESOTA**

**Exhibit 6**

**RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCE OF GOVERNMENTAL FUNDS  
TO THE GOVERNMENT-WIDE STATEMENT OF ACTIVITIES--GOVERNMENTAL ACTIVITIES  
FOR THE YEAR ENDED DECEMBER 31, 2014**

**Net change in fund balances - total governmental funds (Exhibit 5) \$ 23,549,354**

Amounts reported for governmental activities in the statement of activities are different because:

In the funds, under the modified accrual basis, receivables not available for expenditure are deferred. In the statement of activities, those revenues are recognized when earned. The adjustment to revenue between the fund statements and the statement of activities is the increase (decrease) in unavailable revenue.

Deferred inflows of resources - December 31	\$ 7,761,949	
Deferred inflows of resources - January 1	<u>(7,056,272)</u>	705,677

Governmental funds report capital outlay as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. Also, in the statement of activities, only the gain or loss on the disposal of assets is reported; whereas, in the governmental funds, the proceeds from the sale increase financial resources. Therefore, the change in net position differs from the change in fund balance by the net book value of the assets sold.

Expenditures for general capital assets and infrastructure	\$ 19,796,701	
Current year depreciation	<u>(8,481,650)</u>	11,315,051

Issuing long-term debt provides current financial resources to governmental funds, while the repayment of debt consumes current financial resources. Neither transaction, however, has any effect on net position. Also, governmental funds report the net effect of premiums and discounts, and similar items when debt is first issued; whereas, those amounts are deferred and amortized over the life of the debt in the statement of net position.

Proceeds of new debt		
General obligation capital improvement plan bonds	(3,475,911)	
General obligation capital improvement plan refunding bonds	(20,153,257)	
Septic loans issued	<u>(234,555)</u>	(23,863,723)
Principal repayments		
General obligation bonds	\$ 4,600,000	
Loans payable	<u>56,028</u>	4,656,028



**SCOTT COUNTY  
SHAKOPEE, MINNESOTA**

**Exhibit 6**  
**(Continued)**

**RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCE OF GOVERNMENTAL FUNDS  
TO THE GOVERNMENT-WIDE STATEMENT OF ACTIVITIES--GOVERNMENTAL ACTIVITIES  
FOR THE YEAR ENDED DECEMBER 31, 2014**

Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.

Change in accrued interest payable	\$ (51,413)	
Amortization of discounts	(67,045)	
Change in compensated absences	(184,874)	
Change in net other postemployment benefit obligation	(517,648)	
Amortization of premium	<u>166,195</u>	(654,785)

Internal service funds are used by management to charge the cost of certain activities to individual funds. The expense of certain activities of the internal service funds is reported with governmental activities.

Governmental activities share of income before transfers	<u>2,651,156</u>
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<b>Change in Net Position of Governmental Activities (Exhibit 2)</b>	<b><u><u>\$ 18,358,758</u></u></b>
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**SCOTT COUNTY  
SHAKOPEE, MINNESOTA**

**Exhibit 7**

**STATEMENT OF NET POSITION  
PROPRIETARY FUNDS  
DECEMBER 31, 2014**

	<b>Governmental Activities Internal Service Funds</b>
<hr/>	
<b><u>Assets</u></b>	
Cash and pooled investments	\$ 4,351,311
OPEB revocable trust investments	11,111,341
Taxes receivable	
Prior	17,401
Accrued interest receivable	5,735
	<hr/>
<b>Total Assets</b>	<b>\$ 15,485,788</b>
	<hr/>
<b><u>Liabilities</u></b>	
Claims payable	\$ 583,154
	<hr/>
<b>Total Liabilities</b>	<b>\$ 583,154</b>
	<hr/>
<b><u>Net Position</u></b>	
Unrestricted	\$ 14,902,634
	<hr/> <hr/>

**SCOTT COUNTY  
SHAKOPEE, MINNESOTA**

**Exhibit 8**

**STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION  
PROPRIETARY FUNDS  
FOR THE YEAR ENDED DECEMBER 31, 2014**

	<b>Governmental Activities Internal Services Funds</b>
<b>Operating Revenues</b>	
Charges for services	\$ 9,999,662
Contributions	1,330,000
Miscellaneous	<u>2,024,895</u>
<b>Total Operating Revenues</b>	<b>\$ 13,354,557</b>
<b>Expenses</b>	
Professional services	<u>13,239,155</u>
<b>Operating Income (Loss)</b>	<b>\$ <u>115,402</u></b>
<b>Nonoperating Revenues (Expenses)</b>	
Property taxes	\$ 1,333,213
Investment earnings	<u>1,202,541</u>
<b>Total Nonoperating revenues (expenses)</b>	<b>\$ <u>2,535,754</u></b>
<b>Change in Net Position</b>	<b>\$ 2,651,156</b>
<b>Net Position - January 1</b>	<b><u>12,251,478</u></b>
<b>Net Position - December 31</b>	<b><u><u>\$ 14,902,634</u></u></b>

**SCOTT COUNTY  
SHAKOPEE, MINNESOTA**

**Exhibit 9**

**STATEMENT OF CASH FLOWS  
PROPRIETARY FUNDS  
FOR THE YEAR ENDED DECEMBER 31, 2014  
Increase (Decrease) in Cash and Cash Equivalents**

	<b>Government Activities Internal Service Funds</b>
<b>Cash Flows from Operating Activities</b>	
Receipts from customers and users	\$ 2,628,728
Receipts from internal services provided	8,700,934
Receipts from insurance provider	2,024,895
Payments to suppliers	(12,995,658)
<b>Net cash provided by (used in) operating activities</b>	<b>\$ 358,899</b>
<b>Cash Flows from Noncapital Financing Activities</b>	
Property taxes	\$ 1,338,001
<b>Net cash provided by (used in) noncapital financing activities</b>	<b>\$ 1,338,001</b>
<b>Cash Flows from Investing Activities</b>	
Purchase of OPEB revocable trust investment	\$ (2,508,182)
Investment earnings received	1,199,664
<b>Net cash provided by (used in) investing activities</b>	<b>\$ (1,308,518)</b>
<b>Net Increase (Decrease) in Cash and Cash Equivalents</b>	<b>\$ 388,382</b>
<b>Cash and Cash Equivalents at January 1</b>	<b>3,962,929</b>
<b>Cash and Cash Equivalents at December 31</b>	<b>\$ 4,351,311</b>
<b>Reconciliation of Operating Income (Loss) to Net Cash Provided by (Used in) Operating Activities</b>	
<b>Operating income (loss)</b>	<b>\$ 115,402</b>
<b>Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities</b>	
Increase (decrease) in claims payable	\$ 243,497
<b>Total adjustments</b>	<b>\$ 243,497</b>
<b>Net Cash Provided by (Used in) Operating Activities</b>	<b>\$ 358,899</b>

**SCOTT COUNTY  
SHAKOPEE, MINNESOTA**

**Exhibit 10**

**STATEMENT OF FIDUCIARY NET POSITION  
FIDUCIARY FUNDS  
DECEMBER 31, 2014**

	<b>Investment Trusts</b>	<b>Agency Funds</b>
<b><u>Assets</u></b>		
Cash and pooled investments	\$ 51,704	\$ 2,649,396
Receivables:		
Interest	71	72
Due from other governments	<u>-</u>	<u>205</u>
<b>Total Assets</b>	<b><u>\$ 51,775</u></b>	<b><u>\$ 2,649,673</u></b>
<b><u>Liabilities</u></b>		
Accounts payable	\$ -	\$ 28,593
Due to other governments	<u>-</u>	<u>2,621,080</u>
<b>Total Liabilities</b>	<b><u>\$ -</u></b>	<b><u>\$ 2,649,673</u></b>
<b><u>Net Position</u></b>		
Net position, held in trust for pool participants	<b><u>\$ 51,775</u></b>	

**SCOTT COUNTY  
SHAKOPEE, MINNESOTA**

**Exhibit 11**

**STATEMENT OF CHANGES IN FIDUCIARY NET POSITION  
FIDUCIARY FUNDS  
FOR THE YEAR ENDED DECEMBER 31, 2014**

	<b><u>Investment Trusts</u></b>
<b><u>Additions</u></b>	
Investment earnings	
Interest	\$ 262
<b><u>Deductions</u></b>	
Administrative expense	<u>-</u>
<b>Change in Net Position</b>	<b>\$ 262</b>
<b>Net Position - January 1</b>	<b><u>51,513</u></b>
<b>Net Position - December 31</b>	<b><u><u>\$ 51,775</u></u></b>

## **NOTES TO FINANCIAL STATEMENTS**

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**SCOTT COUNTY  
SHAKOPEE, MINNESOTA**

**NOTES TO THE FINANCIAL STATEMENTS  
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2014**

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1. Summary of Significant Accounting Policies

The County's financial statements are prepared in accordance with generally accepted accounting principles (GAAP) for the year ended December 31, 2014. The Government Accounting Standards Board (GASB) is responsible for establishing generally accepted accounting principles (GAAP) for government units through its pronouncements (statements and interpretations). The more significant accounting policies established in GAAP and used by the County are discussed below.

A. Financial Reporting Entity

Scott County was established March 5, 1853, and is an organized county having the powers, duties, and privileges granted counties by Minn. Stat. ch. 373. As required by accounting principles generally accepted in the United States of America, these financial statements present Scott County (primary government) and its component units for which the County is financially accountable. The County is governed by a five-member Board of Commissioners elected from districts within the County. The Board is organized with a chair and vice chair elected at the annual meeting in January of each year.

Blended Component Units

Blended component units are legally separate organizations that are so intertwined with the County that they are, in substance, the same as the County and, therefore, are reported as if they were part of the County. Scott County has two blended component units.

<u>Component Unit</u>	<u>Component Unit Reporting Entity Because</u>	<u>Separate Financial Statements</u>
Regional Railroad Authority (RRA) provides for the preservation or improvement of rail transportation within the County.	County Commissioners are the members of the RRA Board and management of Scott County has operational responsibility for the entity.	Separate financial statements are not prepared.
Scott Watershed Management Organization (WMO) manages the quantity, and tries to improve the quality, of runoff.	County Commissioners are the members of the WMO Board and management of Scott	Separate financial statements are not prepared.

**SCOTT COUNTY  
SHAKOPEE, MINNESOTA**

**NOTES TO THE FINANCIAL STATEMENTS**

Component Unit	Component Unit Reporting Entity Because	Separate Financial Statements
	County has operational responsibility for the entity.	

Discretely Presented Component Unit

While part of the reporting entity, discretely presented component units are presented in a separate column in the government-wide financial statements to emphasize that they are legally separate from the County. The following component unit of Scott County is discretely presented:

Component Unit	Component Unit Reporting Entity Because	Separate Financial Statements
Scott County Community Development Agency (CDA) provides services pursuant to Minn. Stat. §§ 469.001-.047.	County appoints board members and the County would be responsible in the case of financial default.	Scott County CDA 323 South Naumkeag Street Shakopee, MN 55379

Joint Ventures

The County participates in several joint ventures which are described in Note 8.C. The County also participates in jointly-governed organizations which are described in Note 8.D.

**B. Basic Financial Statements**

**1. Government-Wide Statements**

The government-wide financial statements (i.e., the statement of net position and the statement of activities) display information about the primary government and its component units. These statements include the financial activities of the overall County government, except for fiduciary activities. Eliminations have been made to minimize the double-counting of internal activities. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges to external parties for support. Scott County does not have any business-type activities.

**SCOTT COUNTY  
SHAKOPEE, MINNESOTA**

**NOTES TO THE FINANCIAL STATEMENTS**

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In the government-wide statement of net position, the governmental activities column: (a) is presented on a consolidated basis by column; and (b) is reported on a full accrual, economic resource basis, which recognizes all long-term assets and receivables as well as long-term debt and obligations. The County's net position is reported in three parts: (1) net investment in capital assets; (2) restricted net position; and (3) unrestricted net position. The County first utilizes restricted resources to finance qualifying activities.

The statement of activities demonstrates the degree to which the direct expenses of each function of the County's governmental activities are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or activity. Program revenues include: (1) fees, fines, and charges paid by the recipients of goods, services, or privileges provided by a given function or activity; and (2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or activity. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues.

2. Fund Financial Statements

The fund financial statements provide information about the County's funds, including its fiduciary funds and blended component units. Separate statements for each fund category--governmental, proprietary, and fiduciary--are presented. The emphasis of governmental and proprietary fund financial statements are on major individual governmental funds, with each displayed as a separate column in the fund financial statements. All remaining governmental funds are aggregated and reported as nonmajor funds.

Proprietary fund operating revenues, such as charges for services, result from exchange transactions associated with the principal activity of the fund. Exchange transactions are those in which each party receives and gives up essentially equal values. Nonoperating revenues, such as subsidies and investment earnings, result from nonexchange transactions or incidental activities.

The County reports the following major governmental funds:

The General Fund is the County's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

**SCOTT COUNTY  
SHAKOPEE, MINNESOTA**

**NOTES TO THE FINANCIAL STATEMENTS**

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The Road and Bridge Construction Capital Projects Fund is used to account for financial resources to be used for construction of roads, bridges and other projects affecting County roadways.

The Capital Improvement Capital Projects Fund is used to account for financial resources to be used for capital acquisition, construction, or improvement of capital facilities.

The Debt Service Fund is used to account for the financial resources restricted for payments made for the principal and interest on long-term debt of the government.

Additionally, the County reports the following fund types:

The Special Revenue Funds are used to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditure for specified purposes other than debt service or capital projects.

The Internal Service Funds account for self-insurance activities provided to other departments and funds on a cost-reimbursement basis and for the accumulation of resources in a revocable trust for the intended purpose of meeting future other post-employment benefits obligations.

The Investment Trusts Fund is used to account for resources legally held in trust for others. Scott County holds individual investments on behalf of a local cemetery.

The Agency Funds are custodial in nature and does not present results of operations or have a measurement focus. Agency funds account for monies held on behalf of school districts and special districts that use the County as a depository; property taxes collected on behalf of other governments; and surety bonds and performance deposits.

**C. Measurement Focus and Basis of Accounting**

The government-wide, proprietary fund, and fiduciary fund financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*. Revenues are recorded when earned, and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are

**SCOTT COUNTY  
SHAKOPEE, MINNESOTA**

**NOTES TO THE FINANCIAL STATEMENTS**

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recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Scott County considers all revenues to be *available* if they are collected within 60 days after the end of the current period. Property and other taxes, licenses, and interest are all considered to be susceptible to accrual. Expenditures are recorded when the related fund liability is incurred, except for principal and interest on general long-term debt, compensated absences, and claims and judgments, which are recognized as expenditures to the extent that they have matured. Proceeds of general long-term debt and acquisitions under capital leases are reported as other financing sources.

The principal operating revenues of the government's internal service funds are charges to customers. Operating expenses for internal service funds are the cost of services. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

When both restricted and unrestricted resources are available for use, it is the County's policy to use restricted resources first, then unrestricted resources as they are needed.

**D. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position or Equity**

**1. Deposits and Investments**

The cash balances of substantially all funds are pooled and invested by the County Property Tax Revenue and Records Manager for the purpose of increasing earnings through investment activities. Pooled and fund investments are reported at their fair value at December 31, 2014, based on market prices. Pursuant to Minn. Stat. § 385.07, investment earnings on cash and pooled investments are credited to the General Fund. Other funds received investment earnings based on other state statutes, grant agreements, contracts, and bond covenants. Pooled investment earnings for 2014 were \$810,798.

Minn. Stat. § 118A.04 and § 118A.05 generally authorize the following types of investments as available to the County:

- (1) securities which are direct obligations or are guaranteed or insured issues of

**SCOTT COUNTY  
SHAKOPEE, MINNESOTA**

**NOTES TO THE FINANCIAL STATEMENTS**

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the United States, its agencies, its instrumentalities, or organizations created by an act of Congress, except mortgage-backed securities defined as “high risk” by Minn. Stat. § 118A.04, subd. 6;

- (2) mutual funds through shares of registered investment companies provided the mutual fund receives certain ratings depending on its investments;
- (3) general obligations of the State of Minnesota and its municipalities, and in certain state agency and local obligations of Minnesota and other states provided such obligations have certain specified bond ratings by a national bond rating service;
- (4) bankers’ acceptances of United States banks;
- (5) commercial paper issued by United States corporations or their Canadian subsidiaries that is rated in the highest quality category by two nationally recognized rating agencies and matures in 270 days or less; and
- (6) with certain restrictions, in repurchase agreements, securities lending agreements, joint powers investment trusts, and guaranteed investment contracts.

Cash and cash equivalents are identified only for the purpose of the statement of cash flows reporting by the proprietary fund. Cash and pooled investments that have the characteristics of demand deposits, are considered to be cash and cash equivalents on the statement of cash flows.

2. Receivables and Payables

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either “due to/from other funds” (i.e., the current portion of interfund loans) or “advances to/from other funds” (i.e., the non-current portion of interfund loans).

Advances between funds, as reported in the fund financial statements, would be offset by a fund balance nonspendable account in applicable governmental funds to indicate that they are not available for appropriation and are not expendable available financial resources.

**SCOTT COUNTY  
SHAKOPEE, MINNESOTA**

**NOTES TO THE FINANCIAL STATEMENTS**

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Property taxes are levied as of January 1 on property values assessed as of the same date. The tax levy notice is mailed in March with the first half payment due on May 15 and the second half payment due October 15.

Unpaid taxes at December 31 become liens on the respective property and are classified in the financial statements as delinquent taxes receivable.

3. Inventories and Prepaid Items

Inventory in the General Fund, consisting of parts, field materials, and supplies, is valued by using the weighted average cost. The cost value of these inventories will be recorded as an expenditure at the time the individual items are used.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements. The cost of prepaid items is recorded as expenditures when consumed rather than when purchased.

4. Restricted Assets

Certain funds of the County are classified as restricted assets on the statement of net position because the restriction is either imposed by law through constitutional provisions or enabling legislation or imposed externally by creditors, grantors, contributors, or laws or regulations of other governments. Therefore, their use is limited by applicable laws and regulations.

5. Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items), are reported in the governmental activities column in the government-wide financial statements. Capital assets are defined by the government as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of two years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair value at the date of donation. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets' lives are not capitalized.

Major outlays for capital assets and improvements are capitalized as projects are constructed.

**SCOTT COUNTY  
SHAKOPEE, MINNESOTA**

**NOTES TO THE FINANCIAL STATEMENTS**

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Property, plant, and equipment of the primary government, as well as the component unit, are depreciated using the straight-line method over the following estimated useful lives:

<u>Assets</u>	<u>Years</u>
Buildings	40
Building improvements	10-20
Land improvements	10-20
Public domain infrastructure	25-75
Machinery, furniture, equipment, and vehicles	3-10

6. Unearned Revenue

Governmental funds and government-wide financial statements report unearned revenue in connection with resources that have been received, but not yet earned.

7. Compensated Absences

The liability for compensated absences reported in the financial statements consists of unpaid, accumulated annual paid time off and sick leave balances. The liability has been calculated using the vesting method, in which leave amounts for both employees who currently are eligible to receive termination payments and other employees who are expected to become eligible in the future to receive such payments upon termination are included. Compensated absences are accrued when incurred in the government-wide, proprietary, and fiduciary fund financial statements. A liability for these amounts is reported in the governmental funds only if they have matured; for example, as a result of employee resignations and retirements.

8. Long-Term Obligations

In the government-wide financial statements, and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities or proprietary fund type statement of net position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount.



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In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of the debt issued is reported as an other financing source. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

9. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and will not be recognized as an outflow of resources (expenditures/expense) until then. Currently, the County has no items that qualify for reporting in this category.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The County has only one type of item, which arises only under a modified accrual basis of accounting, that qualifies for reporting in this category. Accordingly, the item, unavailable revenue, is reported only in the governmental funds balance sheet. This amount is deferred and recognized as an inflow of resources in the period that the amounts become available.

10. Classification of Net Position

Net position in the government-wide and proprietary fund financial statements are classified in the following categories:

Net investment in capital assets – the amount of net position representing capital assets net of accumulated depreciation and reduced by outstanding debt attributed to the acquisition, construction, or improvement of the assets.

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Restricted net position – the amount of net position for which external restrictions have been imposed by creditors, grantors, contributors, or laws or regulations of other governments and restrictions imposed by law through constitutional provisions or enabling legislation.

Unrestricted net position – the amount of net position that does not meet the definition of restricted or net investment in capital assets.

11. Fund Equity

Fund balance is divided into five classifications based primarily on the extent to which the County is bound to observe constraints imposed upon the use of the resources in the governmental funds. The classifications are as follows:

Nonspendable – the nonspendable fund balance amounts cannot be converted to cash, such as inventories or prepayments, or are legally or contractually required to be maintained intact.

Restricted – the fund balance amounts have externally imposed constraints placed on their use which are legally enforceable.

Committed – the fund balance amounts have self-imposed constraints on items that can be used only for the specific purposes as determined by formal action of the County Board. Any funds set aside as committed fund balance requires the passage of a resolution by a simple majority vote. Amounts within this category require the same formal Board action to remove the commitment.

Assigned – the fund balance amounts have self-imposed constraints to demonstrate intent, which can be established by Board action or delegated by the County Board to others. The County Board authorized the County Administrator and the Chief Financial Officer as the officials authorized to assign fund balance to a specific purpose. This authorization was made by the Fund Balance Policy was adopted by the County Board on July 5, 2011.

Unassigned – the fund balance amounts are available for any public purpose. The County's General Fund is the only fund that may report a positive unassigned fund balance as the remaining balance after all other amounts have been classified.

The County applies restricted resources first when expenditures are incurred for purposes for which either restricted or unrestricted (committed, assigned, and

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unassigned) amounts are available. Similarly, within unrestricted fund balance, committed amounts are reduced first followed by assigned, and then unassigned amounts when expenditures are incurred for purposes for which amounts in any of the unrestricted fund balance classifications could be used.

Minimum Fund Balance

Scott County has adopted a minimum fund balance policy for the General Fund. The General Fund is heavily reliant on property tax revenues to fund current operations. However, current property tax revenues are not available for distribution until June. Therefore, the County Board has determined the need to maintain a minimum unrestricted fund balance (committed, assigned, and unassigned) at year end of 25-30% of operating expenditures. The Fund Balance Policy was adopted by the County Board on July 5, 2011. At December 31, 2014, unrestricted fund balances for the General Fund was at or above the minimum fund balance levels.

12. Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

E. Future Change in Accounting Standards

GASB Statement No. 68, *Accounting and Financial Reporting for Pensions*, as amended by GASB Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date*, replaces Statement No. 27, *Accounting for Pensions by State and Local Governmental Employers*, and Statement No. 50, *Pension Disclosures*, as they relate to employer governments that provide pensions through pension plans administered as trusts or similar arrangement that meet certain criteria. GASB Statement No. 68 requires governments providing defined benefit pensions plans to recognize their long-term obligation for pension benefits as a liability for the first time, and to more comprehensively and comparably measure the annual costs of pension benefits. This statement will be effective for the County's calendar year 2015. The County has not yet determined the financial statement impact of adopting this new standard.

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**F. Revenues**

In accordance with GASB Statement No. 33, *Accounting and Financial Reporting for Nonexchange Transactions*, revenues for nonexchange transactions are recognized based on the principal characteristics of the revenue. Exchange transactions are recognized as revenue when the exchange occurs. The modified accrual basis of accounting is used by all governmental fund types. Under this basis, revenue is not recognized in the financial statements unless it is available to finance current expenditures.

**Imposed Nonexchange Transactions**

Imposed nonexchange transactions result from assessments by governments on non-governmental entities and individuals. Property taxes, fines and penalties, and property forfeitures are imposed nonexchange transactions. Revenues from property taxes are recognized in the period for which the taxes were levied, to the extent they are collected in the current period or soon enough thereafter to be used to pay liabilities of the current period. Property taxes receivable but not available are reported as deferred inflows of resources and will be recognized as revenue in the fiscal year that they become available. Fines and penalties and property forfeitures are recognized in the period received.

**Intergovernmental**

Government-mandated nonexchange transactions occur when a government at one level provides resources to a government at another level and requires that government to use them for a specific purpose. The provider government establishes purpose restrictions and also may establish time requirements. Federal and state grants mandating the County perform particular programs are government-mandated nonexchange transactions. Revenues are recognized when eligibility and time requirements are met, usually when the corresponding expenditure is incurred.

Voluntary nonexchange transactions result from legislative or contractual agreements, such as grants, entitlements, appropriations, and donations. The provider may establish purpose restrictions or eligibility requirements. Revenues are recognized in the year to which they apply according to the statute or contract. Gifts and contributions from individuals are also considered voluntary nonexchange transactions and are generally recognized when received.

Tax credits paid by the state are included in intergovernmental revenues and are recognized as revenue in the fiscal year that they become available. Subject to the availability criterion, state-aid highway allotments for highway maintenance and

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construction are recognized as revenue in the year of allotment.

Exchange Transactions

Special assessments levied against benefiting properties are recognized under the modified accrual basis when available to finance current expenditures. Other revenues, such as licenses and permits, charges for services, and investment income, are recognized as revenue when earned.

3. Detailed Notes on All Funds

A. Assets

1. Deposits and Investments

As of December 31, 2014, Scott County had the following investments:

<u>Investment Type</u>	<u>Fair Value</u>	<u>Credit Rating</u>	<u>Weighted Average Maturity (Years)</u>
U.S. government securities	\$ 506,480	^Aa2	
U.S. government securities	11,667,214	*AA+	
Total U.S. government securities	<u>12,173,694</u>		2.14
Negotiable certificates of deposit	<u>30,059,378</u>	N/A	2.38
Corporate bond	299,895	*AA+	
Corporate bond	24,291	*AAA	
Total corporate bonds	<u>324,186</u>		1.51
Mutual funds	<u>9,755,031</u>	*AAA	0.00
Municipal bonds	60,218	^AA2	
Municipal bonds	5,148	^AA1	
Municipal bonds	10,353	^A1	
Municipal bonds	446,285	*AA	
Municipal bonds	2,074,696	*AA-	
Municipal bonds	10,867	*A+	
Municipal bonds	27,272	*A-	
Total municipal bonds	<u>2,634,839</u>		5.26
Money in external investment pool	<u>11,111,341</u>	N/A	0.00
Total fair value	<u>\$66,058,469</u>		

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Portfolio weighted average maturity

2.48

\*Ratings are provided by Standard and Poor's credit rating agency.

^Ratings are provided by Moody's credit rating agency.

Interest Rate Risk

Interest rate risk is the risk that changes in the market interest rates will adversely affect the fair value of an investment. It is the County's policy to have less than 10% of the investment portfolio invested between ten years and thirty years on any given day. The County manages its exposure to fair value losses arising from increasing interest rates by limiting the portion of its investment portfolio that may be invested between ten and thirty years.

Credit Risk

State law limits investments in commercial paper issued by United States corporations or their Canadian subsidiaries that is rated in the highest quality category by at least two nationally recognized rating agencies and matures in 270 days or less. It is Scott County's policy to invest within the state law.

Concentration of Credit Risk

Concentration of credit risk is defined as positions of 5 percent or more in the securities of a single issuer. Scott County does not have a policy specifically related to concentration of credit risk. More than 5 percent of Scott County's investments are in money markets held with brokers (mutual funds), negotiable certificates of deposit, and an external investment pool (Minnesota State Board of Investment). These investments are 14.8%, 45.5%, and 16.8%, respectively, of the County's total investments.

Custodial Credit Risk – Deposits

Custodial credit risk is the risk that in the event of a bank failure, the County's deposits may not be returned to it. The County does not have a deposit policy for custodial credit risk. As of December 31, 2014, all of Scott County's deposits were insured or collateralized in accordance with Minnesota statutes.

Custodial Credit Risk – Investments

For an investment, this is the risk that, in the event of the failure of the counterparty, the government will not be able to recover the value of its

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investments or collateral securities that are in the possession of an outside party. Of the County's \$66,058,469 investment portfolio, \$42,170,719 was insured or registered, or securities were held by the County or its agent in the County's name and \$23,887,750 was uninsured and unregistered, with securities held by the counter party, or by its trust agent, but not in the County's name. Scott County does not have a policy for custodial credit risk for investments.

2. Receivables

There is currently no allowance for uncollectible receivables. The collection rate for taxes on average exceeds 99% and it has been determined that the other receivables will be collected.

Receivables at December 31, 2014, are:

	Total Receivable	Amounts Not Scheduled for Collection in the Subsequent Year
Taxes	\$ 864,718	\$ -
Accounts receivable	708,237	-
Accrued interest receivable	124,614	-
Loans receivable	1,922,648	1,749,996
Due from other governments	13,627,529	-
Total receivables for governmental activities	<u>\$ 17,247,746</u>	<u>\$ 1,749,996</u>

Governmental funds report deferred inflows of resources in connection with receivables for revenues that are not considered to be available to liquidate liabilities of the current period. Governmental funds also defer revenue recognition in connection with resources that have been received, but not yet earned.

At the end of the current year, the various components of deferred inflows of resources and unearned revenue reported in the governmental funds were as follows:

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	Deferred Inflows of Resources	Unearned
Delinquent property taxes	\$ 857,812	\$ -
Grant receivables that do not provide current financial resources	6,805,215	-
Interest receivable that does not provide current financial resources	98,922	-
Grant drawdowns prior to meeting all eligibility requirements	-	671,177
Total	<u>\$ 7,761,949</u>	<u>\$ 671,177</u>

**3. Capital Assets**

Capital asset activity for the year ended December 31, 2014, was as follows:

**Governmental Activities**

	Beginning Balance	Increase	Decreases	Ending Balance
Capital assets, not being depreciated				
Land	\$ 87,116,565	\$ 2,066,787	\$ -	\$ 89,183,352
Construction in progress	15,597,290	15,165,386	1,507,415	29,255,261
Total capital assets, not being depreciated	<u>\$ 102,713,855</u>	<u>\$ 17,232,173</u>	<u>\$ 1,507,415</u>	<u>\$ 118,438,613</u>
Capital assets being depreciated				
Land improvements	\$ 978,731	\$ 164,240	\$ -	\$ 1,142,971
Buildings	78,278,433	164,240	-	78,442,673
Machinery, furniture, equipment, and vehicles	18,938,468	2,236,048	1,401,287	19,773,229
Infrastructure	250,183,949	1,507,415	-	251,691,364
Total capital assets being depreciated	<u>\$ 348,379,581</u>	<u>\$ 4,071,943</u>	<u>\$ 1,401,287</u>	<u>\$ 351,050,237</u>
Less: accumulated depreciation				
Land improvements	\$ 230,382	\$ 57,149	\$ -	\$ 287,531
Buildings	25,625,568	1,956,230	-	27,581,798
Machinery, furniture, equipment, and vehicles	12,704,548	1,612,962	1,401,287	12,916,223
Infrastructure	43,674,957	4,855,309	-	48,530,266
Total accumulated depreciation	<u>\$ 82,235,455</u>	<u>\$ 8,481,650</u>	<u>\$ 1,401,287</u>	<u>\$ 89,315,818</u>
Total capital assets, being depreciated, net	<u>\$ 266,144,126</u>	<u>\$ (4,409,707)</u>	<u>\$ -</u>	<u>\$ 261,734,419</u>
Governmental Activities Capital Assets, Net	<u>\$ 368,857,981</u>	<u>\$ 12,822,466</u>	<u>\$ 1,507,415</u>	<u>\$ 380,173,032</u>



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Depreciation expense was charged to functions/programs of the primary government as follows:

Governmental Activities	
General government	\$ 1,925,750
Public safety	2,051,892
Highways and streets, including depreciation of infrastructure assets	4,420,746
Conservation of natural resources	3,537
Culture and recreation	70,378
Human services	9,347
	<hr/>
Total Depreciation Expense - Governmental Activities	\$ 8,481,650
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**B. Interfund Receivables, Payables, and Transfers**

**Interfund Transfers**

Interfund transfers for the year ended December 31, 2014, consisted of the following:

Transfers to Capital Improvement Fund from the General Fund	\$ 2,335,045	Provide funds for capital outlay for Voice over Internet Protocol, land records system replacement, computer assisted mass appraisal system, and maintenance tar buggy.
Transfers to Water Management Organization Fund from the Road and Bridge Construction Fund	238,057	Provide funds for the additional right of way work completed by Water Management Organization.
Transfers to General Fund from the Capital Improvement Fund	117,548	Provide funds for acquisition of network server.
Transfers to General Fund from the Road and Bridge Construction Fund	39,970	Provide funds for support staff needed for construction projects.
	<hr/>	
Total Interfund Transfers	\$ 2,730,620	
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**C. Liabilities**

**1. Construction Commitments**

The government has active construction projects as of December 31, 2014. The projects include the following:

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**NOTES TO THE FINANCIAL STATEMENTS**

	<u>Spent-to-Date</u>	<u>Remaining Commitment</u>
Governmental Activities		
General government	\$ 4,516,804	\$ 2,977,568
Conservation of natural resources	128,280	10,850
Roads and bridges	53,390,609	4,452,319
Total	<u>\$ 58,035,693</u>	<u>\$ 7,440,737</u>

2. Leases

Operating Leases

The County has not entered into lease agreements as lessee for financing equipment.

3. Capital Leases

The County has not entered into lease agreements as lessee for financing the acquisition of equipment.

4. Loans for Septic Program

The County has entered into a loan agreement for \$234,555 with the Minnesota Department of Agriculture to operate a loan fund for the purpose of funding the repair of failing septic systems. The loans will be paid from special assessments. The loans due to the Department of Agriculture will be paid in semi-annual payments over 10 years beginning April 2015 with no interest.

5. Long-Term Debt

Governmental Activities

<u>Types of Indebtedness</u>	<u>Final Maturity</u>	<u>Installment Amounts</u>	<u>Interest Rates (%)</u>	<u>Original Issue Amount</u>	<u>Outstanding Balance December 31, 2014</u>
2006A G.O. Capital Improvement Bonds	2027	\$230,000 - \$675,000	3.80-4.30	\$ 10,390,000	\$ 7,290,000
2007A G.O. Capital Improvement Bonds	2027	\$610,000 - \$1,475,000	4.25-5.00	20,290,000	15,475,000
2008A G.O. Capital		\$275,000 -			

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Types of Indebtedness	Final Maturity	Installment Amounts	Interest Rates (%)	Original Issue Amount	Outstanding Balance December 31, 2014
Improvement Bonds	2019	\$520,000	4.00	4,630,000	2,380,000
2009A G.O. Capital Improvement Bonds	2026	\$880,000 - \$1,235,000	1.65- 5.50	16,800,000	13,165,000
2012A G.O. Refund Law Enforcement Bonds	2033	\$820,000 - \$1,745,000	3.00-4.50	24,570,000	23,750,000
2014A G.O. Capital Improvement Bonds	2034	\$125,000 - \$225,000	2.00-3.50	3,355,000	3,355,000
2014B G.O. Refund CIP Bonds	2027	\$1,410,000 - \$2,020,000	4.00-5.00	17,170,000	17,170,000
Total general obligation bonds				<u>\$ 97,205,000</u>	<u>\$ 82,585,000</u>
Plus: unamortized premium / discount					<u>5,494,708</u>
Total General Obligation Bonds, net					<u>\$ 88,079,708</u>
Loans payable:					
2006 Citimortgage, Inc.	2022	\$40,555 - \$81,110	4.29	\$ 896,080	\$ 506,216
Shakopee Mdwekanton Sioux Community	2015	\$1,963,082	0.00	1,963,082	1,963,082
Septic Loan	2025	\$2,547 - \$31,213	0.00	234,555	234,555
Total Loans Payable				<u>\$ 3,093,717</u>	<u>\$ 2,703,853</u>

**Debt Service Requirements**

Debt service requirements at December 31, 2014, were as follows:

Year Ending December 31	General Obligation Bonds		Loans Payable	
	Principal	Interest	Principal	Interest
2015	\$ 3,850,000	\$ 3,614,937	\$ 2,024,108	\$ 20,576
2016	4,005,000	3,437,328	92,251	18,017
2017	22,265,000	3,157,050	86,167	15,346
2018	4,065,000	2,263,174	89,265	12,559
2019	4,185,000	2,083,574	92,495	9,650
2020-2024	20,705,000	7,679,353	307,602	10,547
2025-2029	15,875,000	3,109,050	11,965	-
2030-2034	7,635,000	717,375	-	-
Total	<u>\$ 82,585,000</u>	<u>\$ 26,061,841</u>	<u>\$ 2,703,853</u>	<u>\$ 86,695</u>

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As part of the American Recovery and Reinvestment Act of 2009 (ARRA), Scott County issued \$16,800,000 of Build America Bonds (BABS), which were issued for the construction of County State-Aid Highway 21. The Series 2009A Bonds are direct pay tax credit BABS, in which the County will receive a payment from the federal government equal to 35 percent of the amount of interest payable on each interest payment date. The County has complied with all requirements of ARRA to be eligible for the BABS interest credit. Pursuant to the requirements of the Balanced Budget and Emergency Deficit Control Act of 1985 the refundable credit has been reduced by 7.3% from sequestration.

Taking into consideration the aforementioned BABS interest credit, as of December 31, 2014, the County's net annual debt service requirements to amortize all taxable general obligation bonds outstanding, including interest of \$24,606,053, is as follows:

Year Ending December 31	Principal	Interest	Federal Subsidy	Net Interest	Total Payment
2015	\$ 3,850,000	\$ 3,614,937	\$ (204,127)	\$ 3,410,810	\$ 7,260,810
2016	4,005,000	3,437,328	(193,226)	3,244,102	7,249,102
2017	22,265,000	3,157,050	(180,442)	2,976,608	25,241,608
2018	4,065,000	2,263,174	(166,515)	2,096,659	6,161,659
2019	4,185,000	2,083,574	(151,331)	1,932,243	6,117,243
2020-2024	20,705,000	7,679,353	(498,494)	7,180,859	27,885,859
2025-2029	15,875,000	3,109,050	(61,653)	3,047,397	18,922,397
2030-2034	7,635,000	717,375	-	717,375	8,352,375
Total	\$ 82,585,000	\$ 26,061,841	\$ (1,455,788)	\$ 24,606,053	\$ 107,191,053

**6. Changes in Long-Term Liabilities**

Long-term liability activity for the year ended December 31, 2014, was as follows:

	Beginning Balance	Additions	Deductions	Unamortized Premiums / Discounts	Ending Balance	Due Within One Year
Bonds Payable						
General obligation bonds	\$ 66,660,000	\$ 20,525,000	\$ 4,600,000	\$ 5,494,708	\$ 88,079,708	\$ 3,850,000
Loans payable	2,525,326	234,555	56,028	-	2,703,853	2,024,108
Compensated absences	4,883,424	4,583,317	4,398,443	-	5,068,298	3,242,110
Long-Term Liabilities	\$ 74,068,750	\$ 25,342,872	\$ 9,054,471	\$ 5,494,708	\$ 95,851,859	\$ 9,116,218

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In 2014, the County issued \$17,170,000 General Obligation Capital Improvement Refunding Bonds Series 2012B to refund the 2006A General Obligation Capital Improvement Bonds and 2007A General Obligation Capital Improvement Bonds. These are crossover refundings with the proceeds deposited with an escrow agent. The 2006A series will be called on February 1, 2017 and will be redeemed with proceeds of the escrow account. On February 1, 2017, the County will “crossover” and begin making payments on the 2014B General Obligation Capital Improvement Refunding Bonds. The 2007A series will be called on December 1, 2017 and will be redeemed with proceeds of the escrow account. On December 1, 2017, the County will “crossover” and begin making payments on the 2014B General Obligation Capital Improvement Refunding Bonds. The bonds bear an average coupon of 4.54 percent. As a result of the refunding issue, the County saved \$1,281,102 in debt service payments and achieved an economic gain (the present value of the difference between the old and new debt service) of \$1,151,093.

The internal service funds predominantly serve the governmental funds. Accordingly, long-term liabilities for them are included as part of the above totals for governmental activities. Also, compensated absences are generally liquidated by the General Fund and special revenue funds. Bonded debt is paid from the Debt Service Fund. Net other post-employment benefit obligations are generally liquidated by the General Fund and special revenue funds.

4. Pension Plans

A. Defined Benefit Plans

Plan Description

All full-time and certain part-time employees of Scott County are covered by defined benefit pension plans administered by the Public Employees Retirement Association of Minnesota (PERA). PERA administers the General Employees Retirement Fund, the Public Employees Police and Fire Fund, and the Local Government Correctional Service Retirement Fund (the Public Employees Correctional Fund), which are cost-sharing, multiple-employer retirement plans. These plans are established and administered in accordance with Minn. Stat. chs. 353 and 356.

General Employees Retirement Fund members belong to either the Coordinated Plan or the Basic Plan. Coordinated Plan members are covered by Social Security and Basic Plan members are not. All new members must participate in the Coordinated Plan and

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benefits vest after five years of credited service.

Police officers, firefighters, and peace officers who qualify for membership by statute are covered by the Public Employees Police and Fire Fund. Members who are employed in a county correctional institution as a correctional guard or officer, a joint jailer/dispatcher, or as a supervisor of correctional guards or officers or of joint jailer/dispatchers and are directly responsible for the direct security, custody, and control of the county correctional institution and its inmates, are covered by the Public Employees Correctional Fund. For members first eligible for membership after June 30, 2010, benefits vest on a graduated schedule starting with 50 percent after five years and increasing 10 percent for each year of service until fully vested after ten years.

PERA provides retirement benefits as well as disability benefits to members and benefits to survivors upon death of eligible members. Benefits are established by state statute. Defined retirement benefits are based on a member's highest average salary for any five successive years of allowable service, age, and years of credit at termination of service.

Two methods are used to compute benefits for General Employees Retirement Fund Coordinated and Basic Plan members. The retiring member receives the higher of a step-rate benefit accrual formula (Method 1) or a level accrual formula (Method 2). Under Method 1, the annuity accrual rate for a Basic Plan member is 2.2 percent of average salary for each of the first ten years of service and 2.7 percent for each remaining year. For a Coordinated Plan member, the annuity accrual rate is 1.2 percent of average salary for each of the first ten years and 1.7 percent for each remaining year. Under Method 2, the annuity accrual rate is 2.7 percent of average salary for Basic Plan members and 1.7 percent for Coordinated Plan members for each year of service. For Public Employees Police and Fire Fund members, the annuity accrual rate is 3.0 percent for each year of service. For Public Employees Correctional Fund members, the annuity accrual rate is 1.9 percent for each year of service.

For General Employees Retirement Fund members hired prior to July 1, 1989, whose annuity is calculated using Method 1, and for all Public Employees Police and Fire Fund and Public Employees Correctional Fund members, a full annuity is available when age plus years of service equal 90. Normal retirement age is 55 for Public Employees Police and Fire Fund members and Public Employees Correctional Fund members, and either 65 or 66 (depending on date hired) for General Employees Retirement Fund members. A reduced retirement annuity is also available to eligible members seeking early retirement.

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The benefit provisions stated in the previous paragraphs of this section are current provisions and apply to active plan participants. Vested, terminated employees who are entitled to benefits but are not yet receiving them are bound by the provisions in effect at the time they last terminated public service.

PERA issues a publicly available financial report that includes financial statements and required supplementary information for the General Employees Retirement Fund, the Public Employees Police and Fire Fund, and the Public Employees Correctional Fund. That report may be obtained on the internet at [www.mnpera.org](http://www.mnpera.org); by writing to PERA at 60 Empire Drive, Suite 200, Saint Paul, Minnesota 55103-2088; or by calling 651-296-7460 or 1-800-652-9026.

Funding Policy

Pension benefits are funded from member and employer contributions and income from the investment of fund assets. Rates for employer and employee contributions are set by Minn. Stat. ch. 353. These statutes are established and amended by the State Legislature. The County makes annual contributions to the pension plans equal to the amount required by state statutes. General Employees Retirement Fund Basic Plan members and Coordinated Plan members were required to contribute 9.10 and 6.25 percent, respectively, of their annual covered salary in 2014. Public Employees Police and Fire Fund members were required to contribute 10.20 percent of their annual covered salary 2014. Public Employees Correctional Fund members were required to contribute 5.83 percent of their annual covered salary.

In 2014, the County was required to contribute the following percentages of annual covered payroll:

General Employees Retirement Fund	
Basic Plan members	11.78%
Coordinated Plan members	7.25
Public Employees Police and Fire Fund	15.30
Public Employees Correctional Fund	8.75

The County's contributions for the years ending December 31, 2014, 2013, and 2012, for the General Employees Retirement Fund, the Public Employees Police and Fire Fund, and the Public Employees Correctional Fund were:

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	2014	2013	2012
General Employees Retirement Fund	\$ 2,650,920	\$ 2,490,144	\$ 2,480,522
Public Employees Police and Fire Fund	506,050	450,691	444,916
Public Employees Correctional Fund	346,941	334,235	330,691

These contribution amounts are equal to the contractually required contributions for each year as set by state statute. Contribution rates increased on January 1, 2015, in the General Employees Retirement Fund Coordinated Plan (6.50 percent for members and 7.50 percent for employers) and the Public Employees Police and Fire Fund (10.80 percent for members and 16.20 percent for employers).

**B. Defined Contribution Plan**

Two Commissioners of Scott County are covered by the Public Employees Defined Contribution Plan, a multiple-employer deferred compensation plan administered by PERA. The plan is established and administered in accordance with Minn. Stat. ch. 353D, which may be amended by the State Legislature. The plan is a tax qualified plan under Section 401(a) of the Internal Revenue Code, and all contributions by or on behalf of employees are tax deferred until time of withdrawal.

Plan benefits depend solely on amounts contributed to the plan plus investment earnings, less administrative expenses. For those qualified personnel who elect to participate, Minn. Stat. § 353D.03 specifies plan provisions, including the employee and employer contribution rates. An eligible elected official who decides to participate contributes 5.00 percent of salary, which is matched by the employer. Employees may elect to make member contributions in an amount not to exceed the employer share. Employee and employer contributions are combined and used to purchase shares in one or more of the seven accounts of the Minnesota Supplemental Investment Fund. For administering the plan, PERA receives 2.00 percent of employer contributions and 0.25 percent of the assets in each member account annually.

Total contributions by dollar amount and percentage of covered payroll made by the County during the year ended December 31, 2014, were:

	<u>Employee</u>	<u>Employer</u>
Contribution amount	\$ 5,479	\$ 5,479
Percentage of covered payroll	5 %	5 %



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Required contribution rates were 5.00 percent.

5. Other Post-employment Benefits

A. Plan description

Scott County provides post-employment health care benefits (OPEB) for retired employees through a single employer defined benefit plan. The benefits, benefit levels, employee contributions and employer contributions are governed by the County and can be amended by the County through its personnel policy manual and union contracts within the guidelines of Minnesota Statute. Minnesota Statute requires eligibility to be available for pension-eligible retirees (i.e. retirement after age 55 with 3 years of service). The plan does not issue a separate report. The activity of the plan is reported in the County's Internal Service fund.

B. Summary of Plan Provisions

Non-bargained employees hired prior to July 1, 1992 with continuous benefit eligible employment since date of hire are eligible for a County Contribution for retiree healthcare (i.e. the County will pay a portion of the single premium). Non-bargained employees hired on or after July 1, 1992 are not eligible for a County Contribution for retiree healthcare and will pay a 2.0% administrative fee in addition to their premium.

Bargained employees hired prior to July 1, 1993 with continuous benefit eligible employment since date of hire are eligible for a County Contribution for retiree healthcare (i.e. the County will pay a portion of the single premium). Bargained employees hired on or after July 1, 1993 are not eligible for a County Contribution for retiree healthcare and will pay a 2.0% administrative fee in addition to their premium. Employees who are member of the LELS – Deputized Labor Group are assumed to participate in the Police & Fire Plan. If they become disabled in the line-of-duty, they may continue the same coverage they had on their date of disability, at the same (Active Employee) rate.

For those employees eligible for a County Contribution for retiree healthcare, the County will pay a portion of the single premium under the County's group healthcare plans, based on the retiree's years of benefit eligible employment at retirement. Employees with less than 10 years of benefit eligible service will not receive a County Contribution, employees with 10 – 14 years of benefit eligible service will receive a 50% County Contribution, employees with 15 – 19 years of benefit eligible service will receive a 75% County Contribution and those employees with 20 or more years of

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benefit eligible service will receive a 100% County Contribution towards a single premium.

C. Participants

At January 1, 2014, membership consisted of:

Retirees currently receiving benefits (includes 3 disabled retirees)	174
Beneficiaries currently receiving benefits	2
Terminated employees entitled to benefits not yet receiving them	-
Active employees	<u>698</u>
 Total	 <u>874</u>
 Participating Employers	 <u><u>1</u></u>

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**D. Funding Policy**

The County established a revocable trust to accumulate funds for the future costs of other post-employment benefits (OPEB). According to GASB No. 45, because the trust is not irrevocable, the assets in the trust cannot be used to offset the Actuarial Accrued Liability in determining the Unfunded Actuarial Accrued Liability. Therefore, as long as the County's trust is revocable, the Actuarial Value of Assets for GASB No. 45 is assumed to be \$0. During 2014 Scott County contributed \$1,330,000 and had a year end balance in the OPEB revocable trust of \$11,111,341.

**E. Annual OPEB Costs and Net OPEB Obligation**

The County had an actuarial valuation performed for the plan as of January 1, 2014 to determine the funded status of the plan as well as the employer's annual required contribution (ARC) for the fiscal year ended December 31, 2014. The County's annual OPEB cost (expense) was \$1,515,767 for 2014. The transition liability was set at zero as of January 1, 2008. The County's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation for 2014 and the two preceding fiscal years were as follows:

<u>Fiscal Year Ended</u>	<u>Annual OPEB Cost</u>	<u>Employer Contribution</u>	<u>% of Annual OPEB Cost Contribution</u>	<u>Net OPEB Obligation</u>
December 31, 2012	\$ 1,595,559	\$ 1,156,108	72%	\$ 3,502,517
December 31, 2013	1,680,726	1,093,570	65%	4,089,673
December 31, 2014	1,515,767	998,119	66%	4,607,321

The net OPEB obligation (NOPEBO) as of December 31, 2014, was calculated as follows:

Annual required contribution (ARC)	\$ 1,456,856
Interest on net OPEB obligation	306,725
Adjustment to annual required contribution	<u>(247,814)</u>
Annual OPEB cost	1,515,767
Contributions made	<u>(998,119)</u>
Increase (decrease) in net OPEB obligation	517,648

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Net OPEB obligation – beginning of year	<u>4,089,673</u>
Net OPEB obligation – end of year	\$ <u>4,607,321</u>

**F. Funded Status and Funding Progress.**

The funded status of the plan as of December 31, 2014, was as follows:

Actuarial accrued liability (AAL)	\$ 18,568,908
Actuarial value of plan assets	\$ -
Unfunded actuarial accrued liability	\$ 18,568,908
Funded ratio (actuarial value of plan assets/AAL)	0%
Estimated covered payroll (active plan members)	\$ 42,272,000
UAAL as percentage of covered payroll	44%

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trend. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer, are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The schedule of funding progress, presented as required supplementary information following the notes to the financial statements, presents multiyear trend information that shows whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

**G. Actuarial Methods and Assumptions**

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and plan members), and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

In the January 1, 2014 actuarial valuation, the projected unit credit actuarial cost method was used. The actuarial assumptions included 7.5% investment rate of return and an actuarial healthcare cost trend rate range of 9.5% to 5.0% for pre-65 and 7.0% to 5.0% for post-65. Both rates included a 3 percent inflation assumption. The actuarial

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value of assets was not determined as the County advance funds its obligation in a revocable trust and the actuarial valuation can only include funding in an irrevocable trust. The plan's unfunded actuarial accrued liability is being amortized as a level percentage of projected payroll on a closed basis. The remaining amortization period at December 31, 2014, was twenty-three years.

**6. Risk Management**

The County is exposed to various risks of loss related to torts; theft of, damage to, or destruction of assets; errors or omissions; injuries to employees; or natural disasters. The County has entered into a joint powers agreement with other Minnesota counties to form the Minnesota Counties Intergovernmental Trust (MCIT). The County is a member of both the MCIT Workers' Compensation and Property and Casualty Divisions. The County self-insures for employee health and dental coverage. For other risk, the County carries commercial insurance. There were no significant reductions in insurance from the prior year. The amount of settlements did not exceed insurance coverage for the past three fiscal years.

The Workers' Compensation Division of MCIT is self-sustaining based on the contributions charged, so that total contributions plus compounded earnings on these contributions will equal the amount needed to satisfy claims liabilities and other expenses. MCIT participates in the Workers' Compensation Reinsurance Association with coverage at \$480,000 per claim in 2014 and \$490,000 per claim in 2015. Should the MCIT Workers' Compensation Division liabilities exceed assets, MCIT may assess the County in a method and amount to be determined by MCIT.

The Property and Casualty Division of MCIT is self-sustaining and the County pays an annual premium to cover current and future losses. The MCIT carries reinsurance for its property lines to protect against catastrophic losses. Should the MCIT Property and Casualty Division liabilities exceed assets, MCIT may assess the County in a method and amount to be determined by MCIT.

The County established a limited risk management program for health and dental coverages in 1993. Premiums are paid into the Self-Insurance Internal Services Fund by all other funds and are available to pay claims, claim reserves, and administrative costs of the program. The County has retained risk up to a \$125,000 stop-loss per person per year (\$11,126,585 aggregate) for the health plan. There is a maximum claim limit of \$1,250 per person per year for the dental plan.

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Liabilities of the fund are reported when it is probable that a loss has occurred and the amount of the loss can be reasonably estimated. Liabilities include an amount for claims that have been incurred but not reported (IBNRs). The result of the process to estimate the claims liability is not an exact amount as it depends on many complex factors, such as inflation, changes in legal doctrines, and damage awards.

Accordingly, claims are re-evaluated periodically to consider the effects of inflation, recent claim settlement trends (including frequency and amount of pay-outs), and other economic and social factors. Changes in the balances of claims liabilities during the past two years are as follows:

	Year Ended December 31	
	2014	2013
Unpaid claims, beginning of fiscal year	\$ 339,657	\$ 420,723
Incurred claims (including IBNRs)	10,432,729	8,843,132
Claims payments	(10,189,232)	(8,924,198)
Unpaid Claims, End of Fiscal Year	<u>\$ 583,154</u>	<u>\$ 339,657</u>

**7. Conduit Debt**

The majority of the conduit bond financings are private activity bonds where the bond proceeds are lent to a private individual or entity to meet a public purpose. Tax-exempt private activity bonds require an allocation of bonding authority. The revenues pledged to repay the bonds are paid by the private entity directly to the trustee. In 2004 Scott County entered into a conduit debt agreement with St. John the Baptist Church where St. John the Baptist Church issued \$4,622,771 of debt for the replacement of existing school facilities plus handicapped accessibility for school renovation of the Parish center for meetings and classrooms. The outstanding balance as of December 31, 2014 was \$2,815,923. Neither the County nor any other political subdivision thereof is obligated in any manner for repayment of the bonds. Accordingly, the bonds are not reported as liabilities in the accompanying financial statements.

At December 31, 2014, other conduit debt of the County included two debt issues from 2001 for St. Michael's Parish with outstanding principal of \$18,728 and \$5,962.

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8. Summary of Significant Contingencies and Other Items

A. Subsequent Events

On May 19, 2015, Scott County entered into a \$1,998,800 loan with the Minnesota Pollution Control Agency through the Clean Water Partnership Program. This funding will be used for the Quarry Creek Collaborative Ravine Stabilization Project. The interest rate on the loan is 2% and matures in 2024.

B. Contingent Liabilities

Amounts received or receivable from grant agencies are subject to audit and adjustment by grantor agencies, principally the federal government. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount of the expenditures that may be disallowed by the grantor cannot be determined at this time, although the County expects such amounts to be immaterial.

The County, in connection with the normal conduct of its affairs, is involved in various claims, judgments, and litigation. It is the opinion of the County Attorney's Office that potential claims against the County not covered by insurance resulting from such litigation would not materially affect the financial statements of the County.

C. Joint Ventures

Minnesota River Basin

The Minnesota River Basin Joint Powers Board was established July 12, 1995, by an agreement between Scott County and other counties. The agreement was made to promote orderly water quality improvement and management of the Minnesota River Watershed. Each county is responsible for its proportionate share of the administrative budget and for its share of benefits from any special project.

The management of the Joint Powers Board is vested in the Board of Directors consisting of one member and an alternate from each county board of commissioners included in this agreement. According to the latest information available, 37 counties are members under this agreement.

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Separate financial information can be obtained from:

Minnesota River Basin  
Administration Building No. 14  
600 East 4<sup>th</sup> Street  
Chaska, Minnesota 55318

Cedar Lake Area Wastewater Collection and Treatment System

Pursuant to Minn. Stat. § 471.59, Scott County entered into a joint powers agreement with Cedar Lake Area Water and Sanitary Sewer District.

According to the agreement, the District shall design and construct the Cedar Lake Area Wastewater Collection and Treatment System in order to provide sewer services to all customers in the District's service area.

The County shall provide administrative assistance to the District and provide funds to enable the District to meet its administrative needs until such time as the District receives financing for construction. The total monetary obligation of the County to the District shall not exceed \$15,000. The joint powers' treasurer handles the accounting functions. Current financial statements are not available.

Metropolitan Library Service Agency (MELSA)

Scott County entered into a joint powers agreement with the other six metropolitan area counties and the Cities of St. Paul and Minneapolis to improve public library services within the various jurisdictions. The Board of Directors of MELSA consists of one representative from each member entity.

Financing is provided by gifts, grants, and other property or assistance from the federal government, the State of Minnesota, or any person or agency for MELSA. MELSA handles the accounting functions for the Board.

Separate financial information can be obtained from:

Metropolitan Library Service Agency  
Suite 314  
1619 Dayton Avenue  
Saint Paul, Minnesota 55104-1849



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Metropolitan Emergency Services Board

Pursuant to Minn. Stat. § 471.59, Scott County entered into a joint powers agreement with Anoka, Carver, Dakota, Hennepin, Ramsey, and Washington Counties. The purposes of the agreement are: (a) the implementation and administration of a regional 911 system, and (b) encouraging the development of new resources and the coordination of emergency medical services.

The Board, consisting of two commissioners from each of the counties, determines the amount of contribution by each participating county according to an assessment formula. Financial statements are prepared by Washington County and audited by HLB Tautges Redpath, Ltd. Financial statements can be obtained at the 911 Board Office, 2099 University Avenue, Saint Paul, Minnesota 55104-3431.

SmartLink Transit

Pursuant to Minn. Stat. §471.59, Scott County entered into a joint powers agreement with Carver County. The objective of the agreement is to work together to provide transportation services to residents in Carver and Scott Counties by partnering to use existing resources and develop expanded transit services in order to increase the scope, availability, and quality of the two-county region's transit system.

Both entities are governed by their respective Boards. The Management Team, consisting of equal partners from both counties, is responsible for major operational and budgetary decisions, long-range planning and capital equipment purchases. Scott County is the fiscal agent, receiving funds on behalf of both counties for administration of the programs and services.

Separate financial statements are not available.

Southwest Metro Drug Task Force

The Southwest Metro Drug Task Force was established in 2000 under the authority of the Joint Powers Act, pursuant to Minn. Stat. § 471.59, and includes Carver, McLeod, and Scott Counties, and the Cities of Chaska, Chanhassen, Shakopee, Mound, Hutchinson, West Hennepin, and Minnetrista and the South Lake Minnetonka Police Department. The Drug Task Force's objectives are to detect, investigate and apprehend controlled substance offenders in the three-county area.

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Control of the Southwest Metro Drug Task Force is vested in the Southwest Metro Drug Task Force Executive Committee. The Executive Committee consists of one designated official from each of the three counties and eight cities. In the event of dissolution of the Drug Task Force, the remaining net position will be distributed among the agencies based on their level of participation. However, if only one agency terminates the agreement and the Drug Task Force continues, all equipment will remain with the Drug Task Force.

Financing is provided by grants, forfeiture money, and appropriations from members. Complete financial information can be obtained from the City of Shakopee, 129 Holmes Street South, Shakopee, Minnesota 55379.

Vermillion River Watershed Joint Powers Agreement

Scott County entered into a joint powers agreement with Dakota County, pursuant to Minn. Stat. § 471.59, and Minn. Stat. Ch. 103B to prepare, adopt and implement the watershed plan for the Vermillion River. The Joint Powers Board consists of one county commissioner from Scott County and two county commissioners from Dakota County. Complete financial information can be obtained from Dakota County Financial Services, 1590 Highway 55, Hastings, Minnesota 55033.

Minnesota Valley Transit Authority (MVTA)

Pursuant to Minnesota Statutes §§ 473.384, 473.388, and 471.59, Scott County entered into a joint powers agreement with Dakota County and the Cities of Apple Valley, Burnsville, Eagan, Rosemount, and Savage. The purpose of this agreement is to provide public transit service to persons within the participating Cities and the Metropolitan Area.

The governing body of the MVTA shall be its Board which will consist of seven voting commissioners. Each party shall appoint one commissioner, one alternate commissioner, and a staff member who shall serve on the Technical Work Group. In the event of withdrawal of any party from the MVTA, all of the assets which remain after payment of debts and obligations shall be distributed among the parties to this agreement immediately prior to its termination, subject to the terms and requirements of obligations issued by one or more municipalities pursuant to Minn. Stat. § 473.388, Subd.7.

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D. Jointly-Governed Organizations

Scott County, in conjunction with other governmental entities and various private organizations, has formed the jointly-governed organization listed below:

Scott County Family Services and Children's Mental Health Collaborative

Scott County entered into the Scott County Family Services and Children's Mental Health Collaborative. The purpose of the Collaborative is to enhance family strengths and support through service coordination and access to informal communication. The Collaborative started in 1996.

The Collaborative consists of: Scott County Human Services; Minnesota River Valley Special Education Cooperative; CAP Agency; Scott County Corrections; Scott County CDA; Shakopee, Prior Lake/Savage, Jordan, Belle Plaine, New Prague, and Burnsville/Eagan/Savage School Districts; and the Family Leadership Council.

Scott County is the fiscal agent for the Collaborative. Financing is provided by various grants. Counties participating in local children's mental health collaboratives must contribute to the local collaborative's integrated fund an amount at least equal to any allocations awarded from the TEFRA Restructuring, Collaborative Implementation, Collaborative Wrap-Around, and Adolescent Services grant programs. The total grant award for 2014 was \$204,260. The Collaborative's transactions are accounted for in the Agency Fund of Scott County.

9. Scott County Community Development Agency Component Unit Notes

A. Summary of Significant Accounting Policies

The Scott County Community Development Agency (the CDA) was created under the laws of the State of Minnesota. The CDA is governed by a five-member Board of Commissioners (the Board) appointed by the Scott County Board of Commissioners. The CDA provides affordable housing for the citizens within the County.

Reporting Entity

The CDA has considered all potential units for which it is financially accountable, and other organizations for which the nature and significance of their relationship with the CDA are such that exclusion would cause the CDA's financial statements to be misleading or incomplete. The Governmental Accounting Standards Board (GASB)

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has set forth criteria to be considered in determining financial accountability. These criteria include appointing a voting majority of an organization's governing body, and (1) the ability of the primary government to impose its will on that organization or (2) the potential for the organization to provide specific benefits to, or impose specific financial burdens on the primary government. The CDA is reported as a discrete component unit in Scott County's financial statements.

The Greentree Development Corporation is a Minnesota non-profit corporation holding IRS classification as a 501(c)(3) tax exempt organization with a public charity status under 509(a)(1) and 170(b)(1)(A)(vi). Although legally separate from the CDA, Greentree Development Corporation is reported as if it were part of the CDA as a blended proprietary fund. The Board of Directors of the Corporation are comprised of those persons who from time to time constitute the Board of Commissioners of the Scott County Community Development Agency, and their terms of office as directors of the Corporation shall be conterminous with their terms as Commissioners.

Government-wide Statements

*Government-wide Financial Statements* – The statement of net position and statement of activities display information about the Agency. These statements include the financial activities of the overall government.

The statement of activities presents a comparison between direct expenses and program revenues. Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function. Program revenues include 1) charges paid by the recipients of goods or services offered by the programs and 2) grants and contributions that are restricted to meeting the operations of capital requirements of a particular program. Revenues that are not classified as program revenues, including all taxes, are presented instead as general revenues.

Basis of Accounting

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting.

Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash flows take place. Nonexchange transactions, in which the Agency gives (or receives) value without directly receiving (or giving) equal value in exchange, include property taxes, grants, entitlements and donations. On an accrual basis, revenue from property taxes are recognized in the

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fiscal year for which the taxes are levied. Revenues from grants, entitlements and donations are recognized in the fiscal year in which all eligible requirements have been satisfied.

When both restricted and unrestricted resources are available for use, it is the CDA's policy to use restricted resources first, then unrestricted resources as they are needed.

Deposits and Investments

The CDA's cash and cash equivalents are considered to be cash on hand, demand deposits and short-term investments with original maturities of three months or less from the date of acquisition. Investments are stated at fair value. The investments in the broker money markets are external investment pools. The reported value of the pools is equal to the value of the pool's shares.

Restricted Cash and Pooled Investments

The bond indenture requires the CDA to establish and maintain various trust funds related to construction of the projects, bond sinking and reserve funds, and operating reserve funds.

Property Taxes

The CDA Board annually adopts a levy and certifies it to the County for collection. The County is responsible for collecting all property taxes for the CDA. Real property taxes are paid by taxpayers of the County in two equal installments on May 15 and October 15. The County provides tax settlements to the CDA three times per year, in January, July and December.

Delinquent taxes receivable include the past twelve years' uncollected taxes.

Accounts Receivable

Accounts receivable include amounts billed for services provided before year end. All trade receivables are shown net of an allowance for uncollectable. The allowance for uncollectible at December 31, 2014 was \$12,620.

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Capital Assets

Capital assets are recorded at historical cost or at estimated historical cost if actual historical cost is not available. Contributed capital assets are valued at their estimated fair market value on the date contributed. The Agency defines capital assets as those assets with an initial, individual cost of more than \$5,000 and an estimated life in excess of two years. Donated capital assets are recorded at estimated fair market value at the date of donation. Capital assets used in operations are depreciated using the straight-line method over their estimated useful lives.

Estimated useful lives are as follows:

Buildings	40 years
Building improvements	15 years
Furniture and fixtures	5-10 years
Equipment	3-10 years

Deferred Outflows of Resources

In addition to assets, the statement of net assets will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense) until then. The CDA only has one item that qualifies for reporting in this category. It is the deferred charge on refunding reported in the statement of net position.

Compensated Absences

The Agency's policy allows employees to accumulate paid time off (PTO) up to a maximum of 54 days. The Agency accrues accumulated unpaid compensated absences when earned by the employee.

**B. Detailed Notes**

**1. Assets**

Deposits

Custodial credit risk for deposits and investments is the risk that in the event of a bank failure, the Agency's deposits and investments may not be returned or the

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CDA will not be able to recover collateral securities in the possession of an outside party. The government does not have a deposit policy. However, Minnesota Statutes require that all deposits with financial institutions must be collateralized in an amount equal to 110% of deposits in excess of FDIC insurance. At December 31, 2014, the Agency's carrying amount of deposits was \$9,122,695 and the bank balance was \$9,101,859. All of this bank balance was covered by federal depository insurance and collateral held by the CDA's agent in the CDA's name.

**Investments**

At December 31, 2014, the CDA had the following investments:

Types of Investments	Credit Quality/ Rating (1)	Segmented Time Distribution (2)	Fair Value and Carrying Amount
Non-pooled investments			
Guaranteed Investment Contract	Aaa	Less than 6 months	\$ 220,219
Commercial Paper	A-1+	Less than 6 months	3,464,485
Government Securities	Aaa	1-3 years	586,762
Pooled investments			
Broker Money Market	N/A	Less than 6 months	2,147,724
Total investments			<u>\$ 6,419,190</u>

1. Ratings are provided by Moody's credit rating agency where applicable to indicate associated credit risk.

2. Interest rate risk is disclosed using the segmented time distribution method.

N/A Indicate not applicable or available.

The investments of the CDA are subject to the following risks, which are not addressed in the investment policy:

*Interest Rate Risk:* Is the risk that changes in interest rates will adversely affect the fair value of an investment.

*Credit Risk:* Is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. Ratings are provided by various credit rating agencies and where applicable, indicate associated credit risk. Minnesota Statutes limit the CDA's investments.

*Custodial Credit Risk:* The custodial credit risk for investments is the risk that, in the event of the failure of the counterparty to a transaction, a government will not be able to recover the value of investment or collateral securities that are in the possession of an outside party.

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*Concentration of Credit Risk:* Is the risk of loss attributed to the magnitude of a government's investment in a single issuer.

A reconciliation of cash and temporary investments is as follows:

Carrying amount of deposits	\$ 9,122,695
Investments	6,419,190
Cash on hand	1,550
Total	<u>\$ 15,543,435</u>

Cash and investments	
Cash-unrestricted	\$ 8,170,322
Cash-other restricted	590,994
Cash-tenant security deposits	362,929
Restricted investments	6,419,190
Total	<u>\$ 15,543,435</u>

Notes Receivable

The CDA has issued notes receivable as down payment assistance loans to qualified individuals. The notes provide that if certain "default events" have not occurred upon commencement of the eighth year after the date of the note, the individual shall have no obligation to repay the loan or any part thereof to the CDA. There are no notes receivable of this nature outstanding as of December 31, 2014.

The balance of notes receivable as of December 31, 2014 is \$350,000.

Capital Assets

Component unit capital asset activity for the year ended December 31, 2014, was as follows:



**SCOTT COUNTY  
SHAKOPEE, MINNESOTA**

**NOTES TO THE FINANCIAL STATEMENTS**

	Beginning Balance	Increases	Decreases	Ending Balance
Business-type activities:				
Non-depreciable assets:				
Land and land improvements	\$ 6,317,624	\$ 35,000	\$ -	\$ 6,352,624
Construction in progress	5,185	100,173	-	105,358
Total non-depreciable assets	6,322,809	135,173	-	6,457,982
Depreciable assets				
Buildings and improvements	71,031,935	700,435	(101,727)	71,630,643
Equipment	494,899	209,162	(110,163)	593,898
Total depreciable assets	71,526,834	909,597	(211,890)	72,224,541
Accumulated depreciation				
Buildings and improvements	16,885,962	1,954,030	(64,196)	18,775,796
Equipment	337,483	35,258	(115,641)	257,100
Total accumulated depreciation	17,223,445	1,989,288	(179,837)	19,032,896
Depreciable assets, net	54,303,389	(1,079,691)	(32,053)	53,191,645
Capital assets, net	\$ 60,626,198	\$ (944,518)	\$ (32,053)	\$ 59,649,627

**2. Liabilities**

**Long-Term Liabilities**

**Revenue Bonds**

The CDA has the following revenue bonds outstanding at December 31, 2014 which were issued to finance rental buildings and will be repaid from rental income. The CDA is being reimbursed for a portion of its interest paid on the 2010A Build America Bonds; this is shown as a credit in the debt maturity schedule below.

Bond Series	Original Amount	Interest Rates (%)	Final Maturity	Balance at Year End
Series – 2006D	\$ 905,000	6.00 – 6.25	2/1/2018	\$ 515,000
Series – 2007	7,360,000	4.00 – 4.50	2/1/2042	6,885,000
Series – 2008	2,400,000	4.20 – 4.60	2/1/2029	1,930,000
Series – 2010	5,370,000	2.00 – 4.00	2/1/2036	4,860,000
Series – 2010A	1,780,000	2.85 – 5.30	2/1/2028	1,780,000
Series – 2010B	4,445,000	5.50 – 6.60	2/1/2045	4,445,000
Series – 2010C	450,000	1.35 – 2.65	2/1/2017	345,000
Series – 2012B	5,885,000	2.00 – 3.63	2/1/2034	5,580,000
Series – 2012C	7,110,000	3.00 – 4.00	2/1/2047	7,040,000

**SCOTT COUNTY  
SHAKOPEE, MINNESOTA**

**NOTES TO THE FINANCIAL STATEMENTS**

Series – 2013A	2,330,000	2.00 – 4.00	2/1/2027	2,330,000
Series – 2013B	1,135,000	2.00 – 4.00	2/1/2027	1,135,000
Series – 2013C	2,880,000	2.00 – 4.25	2/1/2033	2,880,000
Series – 2013E	1,220,000	2.00 – 3.00	2/1/2023	1,220,000
Total Bonds				<u>\$ 40,945,000</u>

**Debt Service Requirements**

Debt service requirements to maturity for the Community Development Agency are as follows:

Year Ending December 31	Principal	Interest	Credit	Total
2015	\$ 1,535,000	\$ 1,580,833	\$ (151,951)	\$ 2,963,882
2016	1,670,000	1,532,315	(151,951)	3,050,364
2017	1,770,000	1,477,136	(151,726)	3,095,410
2018	1,830,000	1,418,425	(150,730)	3,097,695
2019	1,500,000	1,367,275	(149,070)	2,718,205
2020 – 2024	8,060,000	6,048,898	(713,092)	13,395,806
2025 – 2029	7,810,000	4,602,826	(637,763)	11,775,063
2030 – 2034	7,175,000	3,099,219	(512,905)	9,761,314
2035 – 2039	4,590,000	1,763,815	(348,035)	6,005,780
2040 – 2044	3,815,000	721,003	(153,516)	4,382,487
2045 – 2047	1,190,000	63,964	(4,530)	1,249,434
Totals	<u>\$ 40,945,000</u>	<u>\$ 23,675,709</u>	<u>\$ (3,125,269)</u>	<u>\$ 61,495,440</u>

**Loans**

The CDA had the following loans payable outstanding as of December 31, 2014:

Description	Authorized and Issued	Interest Rates (%)	Final Maturity	Balance at Year End
USDA Rural Development Loan	\$ 338,111	6.00	3/31/2030	\$ 304,905
USDA Rural Development Loan	284,844	4.88	4/20/2045	277,017
Schrader Loan	307,425	6.00	5/1/2015	11,852
Market Village SAC & WAC Note	384,749	0.00	12/31/2025	355,152
MHFA Deferred Loan	257,982	0.00	6/10/2033	257,982
MHFA Deferred Loan	104,935	0.00	6/10/2017	104,943
MHFA (POHP) Deferred Loan	400,000	0.00	10/28/2019	400,000
MHFA Deferred Loan	275,000	0.00	4/20/2045	275,000
MHFA Deferred Loan	307,886	0.00	3/31/2031	307,886
MHFA Deferred Loan	91,000	0.00	6/26/2033	91,000
MHFA Deferred Loan	134,551	0.00	12/31/2033	133,777
Multifamily Preservation and				

**SCOTT COUNTY  
SHAKOPEE, MINNESOTA**

**NOTES TO THE FINANCIAL STATEMENTS**

Revitalization Loan	106,808	4.25	4/30/2060	104,119
Multifamily Preservation and Revitalization Loan	204,681	0.00	12/1/2063	<u>201,626</u>
Total Loans				<u>\$ 2,825,259</u>

**Loan Debt Service Requirements**

Loan debt service requirements to maturity for the Community Development Agency are as follows:

Year Ending December 31	Principal	Interest	Total
2015	\$ 73,835	\$ 8,940	\$ 82,775
2016	32,266	5,253	37,519
2017	137,303	5,159	142,462
2018	32,457	5,062	37,519
2019	432,558	4,961	437,519
2020 – 2024	164,431	23,164	187,595
2025 – 2029	49,168	20,042	69,210
2030 – 2034	1,118,849	16,315	1,135,164
2035 – 2039	27,757	11,858	39,615
2040 – 2044	310,108	6,523	316,631
2045 – 2049	314,479	1,302	315,781
2050 – 2054	47,134	-	47,134
2055 – 2059	56,316	-	56,316
2060 – 2063	28,598	-	28,598
Totals	<u>\$ 2,825,259</u>	<u>\$ 108,579</u>	<u>\$ 2,933,838</u>

**Changes in Long-term Liabilities**

	Beginning Balance	Additions	Deductions	Ending Balance	Due within one year
Revenue bonds	\$ 42,985,000	\$ -	\$ (2,040,000)	\$ 40,945,000	\$ 1,535,000
Loans payable	3,314,554	-	(489,295)	2,825,259	73,835
Noncurrent liabilities – other	9,255	26,591	(9,255)	26,591	-
OPEB obligation	247,216	41,188	(6,906)	281,498	-
Compensated absences	97,349	129,302	(133,630)	93,021	73,989
Business-type activity Long-term liabilities	<u>\$ 46,653,374</u>	<u>\$ 197,081</u>	<u>\$ (2,679,086)</u>	<u>\$ 44,171,369</u>	<u>\$ 1,682,824</u>

On December 26, 2013 the CDA issued \$1,135,000 of Limited Special Benefits Tax Refunding Bonds, Series 2013B. The bonds bear an average coupon of 3.22

**SCOTT COUNTY  
SHAKOPEE, MINNESOTA**

**NOTES TO THE FINANCIAL STATEMENTS**

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percent and currently refund the outstanding principal of the Limited Special Benefits Tax Refunding Bonds, Series 2006B (\$1,100,000). As a result of the refunding issue, the CDA will save \$91,457 in debt service payments and achieve an economic gain (the present value of the difference between the old and new debt service) of \$77,264.

Pledged Revenue

These bonds were issued to finance the buildings for the various properties. They will be repaid from future net revenues pledged from the properties. Annual principal and interest payments on the bonds are expected to require more than 77 percent of the net revenues from the properties. Principal and interest paid for the current year and total customer net revenues were \$4,012,115 and \$5,188,207, respectively.

Postemployment Benefits Other than Pensions

A. Plan Description

The CDA administers a single-employer defined benefit healthcare plan (“the Retiree Health Plan”). The plan provides lifetime healthcare insurance for eligible retirees and their spouses through the CDA’s group health insurance plan, which covers both active and retired members. Retirees who are Medicare eligible can receive coverage in the CDA-sponsored Medicare Supplemental Plan or remain in one of the group healthcare plans. Benefit provisions are established through negotiations between the CDA. The Retiree Health Plan does not issue a publicly available financial report.

The group healthcare plans are integrated with Medicare based on the Coordination of Benefits (COB) method. The COB method determines the employer’s cost by treating Medicare as any other primary insurer would be regarded under a secondary payment provision. The retiree plan, as secondary payer, pays up to the amount it would pay as primary payer, with the exception that it will not pay benefits already paid by Medicare.

**SCOTT COUNTY  
SHAKOPEE, MINNESOTA**

**NOTES TO THE FINANCIAL STATEMENTS**

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**B. Funding Policy**

Contribution requirements also are set by Board annually. For fiscal year 2014, the CDA contributed \$6,906 to the plan. Based on an eligible retiree's years of continuous regular full-time service at retirement, the CDA will pay a portion of the single premium under one of the group healthcare plans or the Medicare Supplemental Plan, as defined: 50, 75, and 100 percent for 10 to 14, 15 to 19, and 20 or more years of continuous regular full-time service. This benefit is only available to those employees/retirees with a hire date prior to April 11, 2006. In fiscal year 2014, total member contributions were \$8,096.

**C. Annual OPEB Cost and Net OPEB Obligation**

The CDA's annual other postemployment benefit (OPEB) cost (expense) is calculated based on the *annual required contribution of the employer (ARC)*. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and to amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed thirty years. The following table shows the components of the CDA's annual OPEB cost for the year, the amount actually contributed to the plan, and changes in the CDA's net OPEB obligation to Retiree Health Plan:

Annual required contribution	\$ 40,699
Interest on net OPEB obligation	10,507
Adjustment to annual required contribution	<u>(10,018)</u>
 Annual OPEB cost	 41,188
 Contributions made	 <u>(6,906)</u>
Increase in net OPEB obligation	34,282
 Net OPEB obligation – beginning of year	 <u>247,216</u>
 Net OPEB obligation – end of year	 <u><u>\$ 281,498</u></u>

The CDA's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation for fiscal year 2014 and the two preceding fiscal years were as follows:

**SCOTT COUNTY  
SHAKOPEE, MINNESOTA**

**NOTES TO THE FINANCIAL STATEMENTS**

Fiscal Year Ended	Three Year Trend Information		
	Annual OPEB Cost	% of Annual OPEB Cost Contribution	Net OPEB Obligation
December 31, 2014	\$ 41,188	17.0 %	\$ 281,498
December 31, 2013	50,454	20.3 %	247,216
December 31, 2012	48,238	15.3%	206,869

**D. Funded Status and Funding Progress**

As of January 1, 2014, the actuarial accrued liability for benefits was \$548,439, all of which was unfunded. The covered payroll (annual payroll of active employees covered by the plan) was \$1,065,527, and the ratio of the unfunded actuarial accrued liability to the covered payroll was 51.47 percent.

The projection of future benefit payments for an ongoing plan involves estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trend. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future.

**E. Methods and Assumptions**

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

In the January 1, 2014 actuarial valuation, the projected unit credit actuarial cost method was used. The actuarial assumptions include a 4.25 percent investment rate of return, which is a blended rate of the expected long-term investment returns on plan assets and on the employer's own investments. The

**SCOTT COUNTY  
SHAKOPEE, MINNESOTA**

**NOTES TO THE FINANCIAL STATEMENTS**

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initial healthcare trend rate was 9.5 percent, reduced by decrements to an ultimate rate of 8.0 percent after three years. The unfunded actuarial accrued liability (UAAL) is being amortized as a level percentage of projected payroll on an open basis. The remaining amortization period at December 31, 2014, was thirty years.

Retirement Plan

All permanent full-time employees of the CDA are eligible to participate in the Housing Agency Retirement Trust (the Trust). The Trust is a defined contribution plan administered by a trustee. Employees under this Plan receive a pension based on the amount deposited in the Plan by the employee and employer and the amount of investment income earned. Therefore, the Trust is fully funded at all times.

Participating employees vest in the CDA's future and past service contributions based on each full year of continuous employment. Total payroll and eligible payroll for employees covered by the Plan for the year ended December 31, 2014, was \$1,222,171 and \$1,115,834, respectively.

The CDA contributed \$66,988 and employees contributed \$58,581 in the Plan for the year ended December 31, 2014.

Conduit Debt Obligations

The majority of the conduit bond financings are private activity bonds where the bond proceeds are lent to a private individual or entity to meet a public purpose. Tax-exempt private activity bonds require an allocation of bonding authority. The revenues pledged to repay the bonds are paid by the private entity directly to the trustee. The bonds are secured by the property financed and are payable solely from payments received on the underlying mortgage loans. Upon repayment of the bonds, ownership of the acquired facilities transfers to the private-sector entity served by the bond issuance. Neither the Agency nor any other political subdivision thereof is obligated in any manner for repayment of the bonds. Accordingly, the bonds are not reported as liabilities in the Agency's financial statements.

As of December 31, 2014, the following conduit debt obligations were outstanding:

**SCOTT COUNTY  
SHAKOPEE, MINNESOTA**

**NOTES TO THE FINANCIAL STATEMENTS**

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Bond Issue	Issue Date	Amount Outstanding December 31, 2014	
Multi-Issuer	1997	\$	143,505
Multi-Issuer	1998		265,397
Highview Common Project	1999		400,000
Fountains of Hosanna			
Multifamily Revenue Note	2011		6,315,115
		\$	<u>7,124,017</u>



**REQUIRED SUPPLEMENTARY INFORMATION**

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**SCOTT COUNTY  
SHAKOPEE, MINNESOTA**

**Schedule 1**

**BUDGETARY COMPARISON SCHEDULE  
GENERAL FUND  
FOR THE YEAR ENDED DECEMBER 31, 2014**

	<b>Budgeted Amounts</b>		<b>Actual</b>	<b>Variance with</b>
	<b>Original</b>	<b>Final</b>	<b>Amounts</b>	<b>Final Budget</b>
<b>Revenues</b>				
Taxes	\$ 43,372,278	\$ 43,372,278	\$ 43,715,361	\$ 343,083
Licenses and permits	1,044,900	1,044,900	1,394,179	349,279
Intergovernmental	27,379,708	27,379,708	29,784,962	2,405,254
Charges for services	9,357,774	9,357,774	9,448,875	91,101
Fines and forfeits	85,375	85,375	298,302	212,927
Gifts and contributions	27,737	27,737	78,100	50,363
Investment earnings	355,000	355,000	810,798	455,798
Miscellaneous	1,933,016	1,933,016	2,207,376	274,360
<b>Total Revenues</b>	<b>\$ 83,555,788</b>	<b>\$ 83,555,788</b>	<b>\$ 87,737,953</b>	<b>\$ 4,182,165</b>
<b>Expenditures</b>				
<b>Current</b>				
<b>General government</b>				
Commissioners	\$ 547,922	\$ 547,922	\$ 469,661	\$ 78,261
Courts	573,301	573,301	584,119	(10,818)
Community corrections	3,071,953	3,071,953	3,327,017	(255,064)
County administration	458,327	458,327	442,146	16,181
Finance	5,043,031	5,043,031	4,551,337	491,694
Land records	1,213,991	1,213,991	1,132,386	81,605
Customer service	1,133,417	1,133,417	1,026,973	106,444
Information technology	4,297,450	4,297,450	4,687,545	(390,095)
Employee relations	1,137,517	1,137,517	1,122,122	15,395
Attorney	3,597,789	3,597,789	3,898,824	(301,035)
Planning and zoning	1,622,643	1,622,643	1,599,728	22,915
Facilities management	2,913,646	2,913,646	2,934,679	(21,033)
Veterans service officer	342,923	342,923	334,745	8,178
<b>Total general government</b>	<b>\$ 25,953,910</b>	<b>\$ 25,953,910</b>	<b>\$ 26,111,282</b>	<b>\$ (157,372)</b>

**SCOTT COUNTY  
SHAKOPEE, MINNESOTA**

**Schedule I  
(Continued)**

**BUDGETARY COMPARISON SCHEDULE  
GENERAL FUND  
FOR THE YEAR ENDED DECEMBER 31, 2014**

	<b>Budgeted Amounts</b>		<b>Actual</b>	<b>Variance with</b>
	<b>Original</b>	<b>Final</b>	<b>Amounts</b>	<b>Final Budget</b>
<b>Expenditures</b>				
<b>Current (Continued)</b>				
<b>Public safety</b>				
Sheriff	\$ 845,091	\$ 845,091	\$ 737,667	\$ 107,424
County jail	6,353,144	6,353,144	6,648,451	(295,307)
Emergency services	4,873,770	4,873,770	5,263,268	(389,498)
Medical examiner	364,450	364,450	364,450	-
Law enforcement	2,626,843	2,626,843	2,527,690	99,153
<b>Total public safety</b>	<b>\$ 15,063,298</b>	<b>\$ 15,063,298</b>	<b>\$ 15,541,526</b>	<b>\$ (478,228)</b>
<b>Highways and streets</b>				
Administration	\$ 1,260,719	\$ 1,260,719	\$ 1,585,585	\$ (324,866)
Engineering	1,989,505	1,989,505	2,199,736	(210,231)
Maintenance	4,708,244	4,708,244	5,575,998	(867,754)
Equipment and maintenance shops	639,272	639,272	306,939	332,333
<b>Total highways and streets</b>	<b>\$ 8,597,740</b>	<b>\$ 8,597,740</b>	<b>\$ 9,668,258</b>	<b>\$ (1,070,518)</b>
<b>Sanitation</b>				
SCORE	\$ -	\$ -	\$ 388,692	\$ (388,692)
<b>Transit</b>				
Transit	\$ 3,443,500	\$ 3,443,500	\$ 3,531,791	\$ (88,291)
<b>Human services</b>				
Income maintenance	\$ 3,040,314	\$ 3,040,314	\$ 3,296,342	\$ (256,028)
Administration	2,075,542	2,075,542	1,944,839	130,703
Social services	17,022,074	17,022,074	16,109,428	912,646
<b>Total human services</b>	<b>\$ 22,137,930</b>	<b>\$ 22,137,930</b>	<b>\$ 21,350,609</b>	<b>\$ 787,321</b>
<b>Health</b>				
Family health	\$ 1,397,438	\$ 1,397,438	\$ 1,508,546	\$ (111,108)
<b>Culture and recreation</b>				
Historical society	\$ 107,000	\$ 107,000	\$ 107,000	\$ -
Parks	1,213,875	1,213,875	1,212,063	1,812
County library	2,819,382	2,819,382	3,006,195	(186,813)
<b>Total culture and recreation</b>	<b>\$ 4,140,257</b>	<b>\$ 4,140,257</b>	<b>\$ 4,325,258</b>	<b>\$ (185,001)</b>

**SCOTT COUNTY  
SHAKOPEE, MINNESOTA**

*Schedule 1*  
*(Continued)*

**BUDGETARY COMPARISON SCHEDULE  
GENERAL FUND  
FOR THE YEAR ENDED DECEMBER 31, 2014**

	<b>Budgeted Amounts</b>		<b>Actual</b>	<b>Variance with</b>
	<b>Original</b>	<b>Final</b>	<b>Amounts</b>	<b>Final Budget</b>
<b>Expenditures</b>				
<b>Current (Continued)</b>				
<b>Conservation of natural resources</b>				
County extension	\$ 335,221	\$ 335,221	\$ 334,564	\$ 657
Agricultural society/county fair	107,000	107,000	107,000	-
Natural resources	239,767	239,767	226,905	12,862
<b>Total conservation of natural resources</b>	<b>\$ 681,988</b>	<b>\$ 681,988</b>	<b>\$ 668,469</b>	<b>\$ 13,519</b>
<b>Economic development</b>				
Employment and training	\$ 916,333	\$ 916,333	\$ 859,415	\$ 56,918
<b>Intergovernmental</b>				
Highways and streets	\$ -	\$ -	\$ 218,869	\$ (218,869)
<b>Total Expenditures</b>	<b>\$ 82,332,394</b>	<b>\$ 82,332,394</b>	<b>\$ 84,172,715</b>	<b>\$ (1,840,321)</b>
<b>Excess of Revenues Over (Under)</b>				
<b>Expenditures</b>	<b>\$ 1,223,394</b>	<b>\$ 1,223,394</b>	<b>\$ 3,565,238</b>	<b>\$ 2,341,844</b>
<b>Other Financing Sources (Uses)</b>				
Transfers in	\$ 10,000	\$ 10,000	\$ 157,518	\$ 147,518
Transfers out	-	-	(2,335,045)	(2,335,045)
Septic loans issued	-	-	234,555	234,555
<b>Total Other Financing Sources (Uses)</b>	<b>\$ 10,000</b>	<b>\$ 10,000</b>	<b>\$ (1,942,972)</b>	<b>\$ (1,952,972)</b>
<b>Net Change in Fund Balance</b>	<b>\$ 1,233,394</b>	<b>\$ 1,233,394</b>	<b>\$ 1,622,266</b>	<b>\$ 388,872</b>
<b>Fund Balance - January 1</b>	<b>33,567,727</b>	<b>33,567,727</b>	<b>33,567,727</b>	<b>-</b>
<b>Fund Balance - December 31</b>	<b>\$ 34,801,121</b>	<b>\$ 34,801,121</b>	<b>\$ 35,189,993</b>	<b>\$ 388,872</b>

**SCOTT COUNTY  
SHAKOPEE, MINNESOTA**

*Schedule 2*

**SCHEDULE OF FUNDING PROGRESS  
OTHER POST-EMPLOYMENT BENEFIT PLAN  
FOR THE YEAR ENDED DECEMBER 31, 2014**

Actuarial Valuation Date	Actuarial Value of Assets ( a )	Actuarial Accrued Liability (AAL) ( b )	Unfunded AAL (UAAL) ( b - a )	Funded Ratio ( a / b )	Covered Payroll ( c )	UAAL as a Percentage of Covered Payroll (( b - a ) / c )
January 1, 2010	\$ -	\$ 23,452,217	\$ 23,452,217	0%	\$ 35,962,000	65.21%
January 1, 2012	-	19,742,846	19,742,846	0%	39,271,000	50.27%
January 1, 2014	-	18,568,908	18,568,908	0%	42,272,000	43.93%

The notes to the required supplementary information are an integral part of this schedule.

SCOTT COUNTY  
SHAKOPEE, MINNESOTA  
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION  
December 31, 2014

**I. Stewardship, compliance, and accountability**

**A. Budgetary information**

Annual budgets are adopted on a basis consistent with generally accepted accounting principles for all budgeted governmental funds. Each appropriation lapses at the end of the fiscal year to the extent that it has not been expended.

The appropriated budget is prepared by fund, function, and department. The County's budgets may be amended or modified at any time by the County Board. The legal level of budgetary control (i.e., the level at which expenditures may not legally exceed appropriations) is the department level.

The Ditch, Transportation Initiative, Regional Training Facility and Regional Railroad Authority special revenue funds were not annually appropriated for during 2014.

**B. Excess of expenditures over appropriations**

For the year ended December 31, 2014, expenditures exceeded appropriations in the Courts, Community Corrections, Information Technology, Attorney, Facilities Management, County Jail, Emergency Services, Highway Administration, Highway Engineering, Highway Maintenance, SCORE, Transit, Income Maintenance, Family Health and County Library of the General Fund. The amounts expenditures exceeded appropriation were \$10,818, \$255,064, \$390,095, \$301,035, \$21,033, \$295,307, \$389,498, \$324,866, \$210,231, \$867,754, \$388,692, \$88,291, \$256,028, \$111,108 and \$186,813, respectively.

**C. Other Post-Employment Benefits**

As disclosed on the Schedule of Funding Progress, no assets have been placed in an irrevocable trust to advance fund the employer's obligation.

The County established a revocable trust to accumulate funds for the future costs of other post-employment benefits. According to GASB No. 45, since the trust is not irrevocable, the assets in the trust can not be used to offset the Actuarial Accrued Liability in determining the Unfunded Actuarial Accrued Liability. Therefore, as long as the County's trust is revocable, the Actuarial Value of Assets for GASB No. 45 is assumed to be \$0. During 2014 Scott County contributed \$1,330,000 and had a year end balance in the OPEB revocable trust of \$11,111,341.

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## **SUPPLEMENTARY INFORMATION**

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**SCOTT COUNTY  
SHAKOPEE, MINNESOTA**

**Statement A-1**

**COMBINING BALANCE SHEET  
NONMAJOR GOVERNMENTAL FUNDS  
SPECIAL REVENUE FUNDS  
DECEMBER 31, 2014**

	<b>Ditch</b>	<b>Regional Railroad Authority</b>	<b>Law Library</b>	<b>Watershed Management Organization</b>	<b>Transportation Initiative</b>	<b>Regional Training Facility</b>	<b>Total</b>
<b><u>Assets</u></b>							
Cash and pooled investments	\$ 160,460	\$ 96,763	\$ 248,024	\$ 1,428,698	\$ 338,184	\$ 677,767	\$ 2,949,896
Petty cash and change funds	-	-	30	-	-	50	80
Taxes receivable							
Prior	-	-	-	16,142	-	-	16,142
Accounts receivable	-	-	29	-	-	4,749	4,778
Accrued interest receivable	201	132	365	1,661	457	1,693	4,509
Due from other governments	-	-	13,355	64,518	-	1,181	79,054
<b>Total Assets</b>	<b>\$ 160,661</b>	<b>\$ 96,895</b>	<b>\$ 261,803</b>	<b>\$ 1,511,019</b>	<b>\$ 338,641</b>	<b>\$ 685,440</b>	<b>\$ 3,054,459</b>
<b>Liabilities, Deferred Inflows of Resources and Fund Balances</b>							
<b>Liabilities</b>							
Accounts payable	\$ 15,120	\$ -	\$ 4,103	\$ 20,956	\$ 7,072	\$ -	\$ 47,251
Salaries payable	-	-	4,663	13,785	-	-	18,448
Due to other governments	-	-	-	225,823	-	-	225,823
Unearned revenue	-	-	-	573,848	-	4,000	577,848
<b>Total Liabilities</b>	<b>\$ 15,120</b>	<b>\$ -</b>	<b>\$ 8,766</b>	<b>\$ 834,412</b>	<b>\$ 7,072</b>	<b>\$ 4,000</b>	<b>\$ 869,370</b>
<b>Deferred Inflows of Resources</b>							
Unavailable revenue	<b>\$ 167</b>	<b>\$ 110</b>	<b>\$ 304</b>	<b>\$ 17,524</b>	<b>\$ 380</b>	<b>\$ 4,858</b>	<b>\$ 23,343</b>
<b>Fund Balances</b>							
Restricted							
Ditch maintenance and repairs	\$ 145,374	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 145,374
Law library	-	-	252,733	-	-	-	252,733
Regional railroad authority	-	96,785	-	-	-	-	96,785
Transportation initiative	-	-	-	-	331,189	-	331,189
Assigned							
Conservation of natural resources	-	-	-	659,083	-	-	659,083
Public safety	-	-	-	-	-	676,582	676,582
<b>Total Fund Balances</b>	<b>\$ 145,374</b>	<b>\$ 96,785</b>	<b>\$ 252,733</b>	<b>\$ 659,083</b>	<b>\$ 331,189</b>	<b>\$ 676,582</b>	<b>\$ 2,161,746</b>
<b>Total Liabilities, Deferred Inflows of Resources and Fund Balances</b>	<b>\$ 160,661</b>	<b>\$ 96,895</b>	<b>\$ 261,803</b>	<b>\$ 1,511,019</b>	<b>\$ 338,641</b>	<b>\$ 685,440</b>	<b>\$ 3,054,459</b>

**SCOTT COUNTY  
SHAKOPEE, MINNESOTA**

**Statement A-2**

**COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
NONMAJOR GOVERNMENTAL FUNDS  
SPECIAL REVENUE FUNDS  
FOR THE YEAR ENDED DECEMBER 31, 2014**

	<b>Ditch</b>	<b>Regional Railroad Authority</b>	<b>Law Library</b>	<b>Watershed Management Organization</b>	<b>Transportation Initiative</b>	<b>Regional Training Facility</b>	<b>Total</b>
<b>Revenues</b>							
Taxes	\$ -	\$ -	\$ -	\$ 1,000,466	\$ -	\$ -	\$ 1,000,466
Special assessments	9,236	-	-	-	-	-	9,236
Intergovernmental	37,369	-	-	846,237	126,400	499,992	1,509,998
Charges for services	-	-	151,505	79,217	-	100,533	331,255
Gifts and contributions	-	-	-	-	1,850	-	1,850
Investment earnings	777	518	1,313	6,266	2,088	6,182	17,144
Miscellaneous	-	-	-	33,860	-	329	34,189
<b>Total Revenues</b>	<b>\$ 47,382</b>	<b>\$ 518</b>	<b>\$ 152,818</b>	<b>\$ 1,966,046</b>	<b>\$ 130,338</b>	<b>\$ 607,036</b>	<b>\$ 2,904,138</b>
<b>Expenditures</b>							
<b>Current</b>							
General government	\$ -	\$ -	\$ 204,432	\$ -	\$ -	\$ -	\$ 204,432
Public safety	-	-	-	-	-	552,072	552,072
Highways and streets	-	-	-	-	138,102	-	138,102
Conservation of natural resources	45,044	-	-	2,523,484	-	-	2,568,528
Economic development	-	1,212	-	-	-	-	1,212
<b>Total Expenditures</b>	<b>\$ 45,044</b>	<b>\$ 1,212</b>	<b>\$ 204,432</b>	<b>\$ 2,523,484</b>	<b>\$ 138,102</b>	<b>\$ 552,072</b>	<b>\$ 3,464,346</b>
<b>Excess of Revenues Over (Under)</b>							
<b>Expenditures</b>	<b>\$ 2,338</b>	<b>\$ (694)</b>	<b>\$ (51,614)</b>	<b>\$ (557,438)</b>	<b>\$ (7,764)</b>	<b>\$ 54,964</b>	<b>\$ (560,208)</b>
<b>Other Financing Sources (Uses)</b>							
Transfers in	-	-	-	238,057	-	-	238,057
<b>Net Change in Fund Balance</b>	<b>\$ 2,338</b>	<b>\$ (694)</b>	<b>\$ (51,614)</b>	<b>\$ (319,381)</b>	<b>\$ (7,764)</b>	<b>\$ 54,964</b>	<b>\$ (322,151)</b>
<b>Fund Balance - January 1</b>	<b>143,036</b>	<b>97,479</b>	<b>304,347</b>	<b>978,464</b>	<b>338,953</b>	<b>621,618</b>	<b>2,483,897</b>
<b>Fund Balance - December 31</b>	<b>\$ 145,374</b>	<b>\$ 96,785</b>	<b>\$ 252,733</b>	<b>\$ 659,083</b>	<b>\$ 331,189</b>	<b>\$ 676,582</b>	<b>\$ 2,161,746</b>

**SCOTT COUNTY  
SHAKOPEE, MINNESOTA**

*Schedule 3*

**BUDGETARY COMPARISON SCHEDULE  
ROAD AND BRIDGE CONSTRUCTION CAPITAL PROJECTS FUND  
FOR THE YEAR ENDED DECEMBER 31, 2014**

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with</u>
	<u>Original</u>	<u>Final</u>	<u>Amounts</u>	<u>Final Budget</u>
<b>Revenues</b>				
Taxes	\$ 4,990,127	\$ 4,990,127	\$ 6,178,040	\$ 1,187,913
Intergovernmental	9,177,123	9,177,123	25,740,419	16,563,296
Charges for services	-	-	50	50
Investment earnings	-	-	122,947	122,947
Miscellaneous	-	-	47,514	47,514
<b>Total Revenues</b>	<b>\$ 14,167,250</b>	<b>\$ 14,167,250</b>	<b>\$ 32,088,970</b>	<b>\$ 17,921,720</b>
<b>Expenditures</b>				
<b>Capital outlay</b>				
Highways and streets	16,202,629	16,202,629	31,840,721	(15,638,092)
<b>Excess of Revenues Over (Under)</b>				
<b>Expenditures</b>	<b>\$ (2,035,379)</b>	<b>\$ (2,035,379)</b>	<b>\$ 248,249</b>	<b>\$ 2,283,628</b>
<b>Other Financing Sources (Uses)</b>				
Transfers out	-	-	(278,027)	(278,027)
<b>Net Change in Fund Balance</b>	<b>\$ (2,035,379)</b>	<b>\$ (2,035,379)</b>	<b>\$ (29,778)</b>	<b>\$ 2,005,601</b>
<b>Fund Balance - January 1</b>	<b>12,852,042</b>	<b>12,852,042</b>	<b>12,852,042</b>	<b>-</b>
<b>Fund Balance - December 31</b>	<b>\$ 10,816,663</b>	<b>\$ 10,816,663</b>	<b>\$ 12,822,264</b>	<b>\$ 2,005,601</b>

**SCOTT COUNTY  
SHAKOPEE, MINNESOTA**

**Schedule 4**

**BUDGETARY COMPARISON SCHEDULE  
CAPITAL IMPROVEMENT CAPITAL PROJECTS FUND  
FOR THE YEAR ENDED DECEMBER 31, 2014**

	<b>Budgeted Amounts</b>		<b>Actual</b>	<b>Variance with</b>
	<b>Original</b>	<b>Final</b>	<b>Amounts</b>	<b>Final Budget</b>
<b>Revenues</b>				
Taxes	\$ 1,573,201	\$ 1,573,201	\$ 1,586,547	\$ 13,346
Intergovernmental	5,145,293	5,145,293	938,418	(4,206,875)
Charges for services	-	-	478,544	478,544
Investment earnings	-	-	91,681	91,681
Miscellaneous	-	-	136,838	136,838
<b>Total Revenues</b>	<b>\$ 6,718,494</b>	<b>\$ 6,718,494</b>	<b>\$ 3,232,028</b>	<b>\$ (3,486,466)</b>
<b>Expenditures</b>				
<b>Capital outlay</b>				
General government	\$ 11,638,491	\$ 11,638,491	\$ 4,336,897	\$ 7,301,594
Public safety	-	-	298,886	(298,886)
Culture and recreation	-	-	2,216,647	(2,216,647)
<b>Total Expenditures</b>	<b>\$ 11,638,491</b>	<b>\$ 11,638,491</b>	<b>\$ 6,852,430</b>	<b>\$ 4,786,061</b>
<b>Excess of Revenues Over (Under) Expenditures</b>	<b>\$ (4,919,997)</b>	<b>\$ (4,919,997)</b>	<b>\$ (3,620,402)</b>	<b>\$ 1,299,595</b>
<b>Other Financing Sources (Uses)</b>				
Transfers in	\$ 355,000	\$ 355,000	\$ 2,335,045	\$ 1,980,045
Transfers out	-	-	(117,548)	(117,548)
Bonds issued	-	-	3,355,000	3,355,000
Premium on bonds issued	-	-	120,911	120,911
Proceeds from sale of capital assets	168,356	168,356	126,246	(42,110)
<b>Total Other Financing Sources (Uses)</b>	<b>\$ 523,356</b>	<b>\$ 523,356</b>	<b>\$ 5,819,654</b>	<b>\$ 5,296,298</b>
<b>Net Change in Fund Balance</b>	<b>\$ (4,396,641)</b>	<b>\$ (4,396,641)</b>	<b>\$ 2,199,252</b>	<b>\$ 6,595,893</b>
<b>Fund Balance - January 1</b>	<b>2,501,687</b>	<b>2,501,687</b>	<b>2,501,687</b>	<b>-</b>
<b>Fund Balance - December 31</b>	<b>\$ (1,894,954)</b>	<b>\$ (1,894,954)</b>	<b>\$ 4,700,939</b>	<b>\$ 6,595,893</b>

**SCOTT COUNTY  
SHAKOPEE, MINNESOTA**

*Schedule 5*

**BUDGETARY COMPARISON SCHEDULE  
DEBT SERVICE FUND  
FOR THE YEAR ENDED DECEMBER 31, 2014**

	<b>Budgeted Amounts</b>		<b>Actual</b>	<b>Variance with</b>
	<b>Original</b>	<b>Final</b>	<b>Amounts</b>	<b>Final Budget</b>
<b>Revenues</b>				
Taxes	\$ 7,694,970	\$ 7,694,970	\$ 7,737,095	\$ 42,125
Investment earnings	-	-	17,473	17,473
<b>Total Revenues</b>	<b>\$ 7,694,970</b>	<b>\$ 7,694,970</b>	<b>\$ 7,754,568</b>	<b>\$ 59,598</b>
<b>Expenditures</b>				
<b>Debt service</b>				
Principal	\$ 4,656,028	\$ 4,656,028	\$ 4,656,028	\$ -
Interest	2,885,942	2,885,942	2,873,641	12,301
Bond issuance costs	-	-	289,321	(289,321)
Administrative (fiscal) charges	153,000	153,000	9,070	143,930
<b>Total Expenditures</b>	<b>\$ 7,694,970</b>	<b>\$ 7,694,970</b>	<b>\$ 7,828,060</b>	<b>\$ (133,090)</b>
<b>Excess of Revenues Over (Under) Expenditures</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ (73,492)</b>	<b>\$ (73,492)</b>
<b>Other Financing Sources (Uses)</b>				
Refunding bonds issued	\$ -	\$ -	\$ 17,170,000	\$ 17,170,000
Premium on bonds issued	-	-	2,983,257	2,983,257
<b>Total Other Financing Sources (Uses)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 20,153,257</b>	<b>\$ 20,153,257</b>
<b>Net Change in Fund Balance</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 20,079,765</b>	<b>\$ 20,079,765</b>
<b>Fund Balance - January 1</b>	<b>634,029</b>	<b>634,029</b>	<b>634,029</b>	<b>-</b>
<b>Fund Balance - December 31</b>	<b>\$ 634,029</b>	<b>\$ 634,029</b>	<b>\$ 20,713,794</b>	<b>\$ 20,079,765</b>

**SCOTT COUNTY  
SHAKOPEE, MINNESOTA**

**Schedule 6**

**BUDGETARY COMPARISON SCHEDULE  
LAW LIBRARY SPECIAL REVENUE FUND  
FOR THE YEAR ENDED DECEMBER 31, 2014**

	<b>Budgeted Amounts</b>		<b>Actual</b>	<b>Variance with</b>
	<b>Original</b>	<b>Final</b>	<b>Amounts</b>	<b>Final Budget</b>
<b>Revenues</b>				
Charges for services	\$ 200,749	\$ 200,749	\$ 151,505	\$ (49,244)
Investment earnings	2,000	2,000	1,313	(687)
<b>Total Revenues</b>	<b>\$ 202,749</b>	<b>\$ 202,749</b>	<b>\$ 152,818</b>	<b>\$ (49,931)</b>
<b>Expenditures</b>				
<b>Current</b>				
<b>General government</b>				
Law library	\$ 202,749	\$ 202,749	\$ 204,432	\$ (1,683)
<b>Change in Fund Balance</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ (51,614)</b>	<b>\$ (51,614)</b>
<b>Fund Balance - January 1</b>	<b>304,347</b>	<b>304,347</b>	<b>304,347</b>	<b>-</b>
<b>Fund Balance - December 31</b>	<b>\$ 304,347</b>	<b>\$ 304,347</b>	<b>\$ 252,733</b>	<b>\$ (51,614)</b>



**SCOTT COUNTY  
SHAKOPEE, MINNESOTA**

**Schedule 7**

**BUDGETARY COMPARISON SCHEDULE  
WATER MANAGEMENT ORGANIZATION SPECIAL REVENUE FUND  
FOR THE YEAR ENDED DECEMBER 31, 2014**

	<b>Budgeted Amounts</b>		<b>Actual</b>	<b>Variance with</b>
	<b>Original</b>	<b>Final</b>	<b>Amounts</b>	<b>Final Budget</b>
<b>Revenues</b>				
Taxes	\$ 1,005,000	\$ 1,005,000	\$ 1,000,466	\$ (4,534)
Intergovernmental	207,157	207,157	846,237	639,080
Charges for services	15,000	15,000	79,217	64,217
Investment earnings	10,000	10,000	6,266	(3,734)
Miscellaneous	1,115,880	1,115,880	33,860	(1,082,020)
<b>Total Revenues</b>	<b>\$ 2,353,037</b>	<b>\$ 2,353,037</b>	<b>\$ 1,966,046</b>	<b>\$ (386,991)</b>
<b>Expenditures</b>				
<b>Current</b>				
<b>Conservation of natural resources</b>				
Water management	2,520,311	2,520,311	2,523,484	(3,173)
<b>Excess of Revenues Over (Under)</b>				
<b>Expenditures</b>	<b>\$ (167,274)</b>	<b>\$ (167,274)</b>	<b>\$ (557,438)</b>	<b>\$ (390,164)</b>
<b>Other Financing Sources (Uses)</b>				
Transfers in	-	-	238,057	238,057
<b>Change in Fund Balance</b>	<b>\$ (167,274)</b>	<b>\$ (167,274)</b>	<b>\$ (319,381)</b>	<b>\$ (152,107)</b>
<b>Fund Balance - January 1</b>	<b>978,464</b>	<b>978,464</b>	<b>978,464</b>	<b>-</b>
<b>Fund Balance - December 31</b>	<b>\$ 811,190</b>	<b>\$ 811,190</b>	<b>\$ 659,083</b>	<b>\$ (152,107)</b>

**SCOTT COUNTY  
SHAKOPEE, MINNESOTA**

**Statement A-3**

**COMBINING STATEMENT OF NET POSITION  
INTERNAL SERVICE FUNDS  
DECEMBER 31, 2014**

	<b><u>Self Insurance</u></b>	<b><u>Other Post Employment Benefits Trust</u></b>	<b><u>Total</u></b>
<b><u>Assets</u></b>			
Cash and pooled investments	\$ 4,351,311	\$ -	\$ 4,351,311
OPEB revocable trust investments	-	11,111,341	11,111,341
Taxes receivable			
Prior	17,401	-	17,401
Accrued interest receivable	<u>5,735</u>	<u>-</u>	<u>5,735</u>
<b>Total Assets</b>	<b><u>\$ 4,374,447</u></b>	<b><u>\$ 11,111,341</u></b>	<b><u>\$ 15,485,788</u></b>
<b><u>Liabilities</u></b>			
Claims payable	<u>\$ 583,154</u>	<u>\$ -</u>	<u>\$ 583,154</u>
<b>Total Liabilities</b>	<b><u>\$ 583,154</u></b>	<b><u>\$ -</u></b>	<b><u>\$ 583,154</u></b>
<b><u>Net Position</u></b>			
Unrestricted	<b><u><u>\$ 3,791,293</u></u></b>	<b><u><u>\$ 11,111,341</u></u></b>	<b><u><u>\$ 14,902,634</u></u></b>

**SCOTT COUNTY  
SHAKOPEE, MINNESOTA**

**Statement A-4**

**COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION  
INTERNAL SERVICE FUNDS  
FOR THE YEAR ENDED DECEMBER 31, 2014**

	<b>Self Insurance</b>	<b>Other Post Employment Benefits Trust</b>	<b>Total</b>
<b>Operating Revenues</b>			
Charges for services	\$ 9,999,662	\$ -	\$ 9,999,662
Contributions	-	1,330,000	1,330,000
Miscellaneous	2,024,895	-	2,024,895
<b>Total Operating Revenues</b>	<b>\$ 12,024,557</b>	<b>\$ 1,330,000</b>	<b>\$ 13,354,557</b>
<b>Expenses</b>			
Professional services	13,238,137	1,018	13,239,155
<b>Operating Income (Loss)</b>	<b>\$ (1,213,580)</b>	<b>\$ 1,328,982</b>	<b>\$ 115,402</b>
<b>Nonoperating Revenues (Expenses)</b>			
Property taxes	\$ 1,333,213	\$ -	\$ 1,333,213
Investment earnings	23,341	1,179,200	1,202,541
<b>Total Nonoperating revenues (expenses)</b>	<b>\$ 1,356,554</b>	<b>\$ 1,179,200</b>	<b>\$ 2,535,754</b>
<b>Change in Net Position</b>	<b>\$ 142,974</b>	<b>\$ 2,508,182</b>	<b>\$ 2,651,156</b>
<b>Net Position - January 1</b>	<b>3,648,319</b>	<b>8,603,159</b>	<b>12,251,478</b>
<b>Net Position - December 31</b>	<b>\$ 3,791,293</b>	<b>\$ 11,111,341</b>	<b>\$ 14,902,634</b>

**SCOTT COUNTY  
SHAKOPEE, MINNESOTA**

**Statement A-5**

**COMBINING STATEMENT OF CASH FLOWS  
INTERNAL SERVICES FUNDS  
FOR THE YEAR ENDED DECEMBER 31, 2014  
Increase (Decrease) in Cash and Cash Equivalents**

	<b>Self Insurance</b>	<b>Other Post Employment Benefits</b>	<b>Total</b>
<b>Cash Flows from Operating Activities</b>			
Receipts from customers and users	\$ 2,628,728	\$ -	\$ 2,628,728
Receipts from internal services provided	7,370,934	1,330,000	8,700,934
Receipts from insurance provider	2,024,895	-	2,024,895
Payments to suppliers	(12,994,640)	(1,018)	(12,995,658)
<b>Net cash provided by (used in) operating activities</b>	<b>\$ (970,083)</b>	<b>\$ 1,328,982</b>	<b>\$ 358,899</b>
<b>Cash Flows from Noncapital Financing Activities</b>			
Property taxes	\$ 1,338,001	\$ -	\$ 1,338,001
<b>Net cash provided by (used in) noncapital financing activities</b>	<b>\$ 1,338,001</b>	<b>\$ -</b>	<b>\$ 1,338,001</b>
<b>Cash Flows from Investing Activities</b>			
Purchase of OPEB revocable trust investment	\$ -	\$ (2,508,182)	\$ (2,508,182)
Investment earnings received	20,464	1,179,200	1,199,664
<b>Net cash provided by (used in) investing activities</b>	<b>\$ 20,464</b>	<b>\$ (1,328,982)</b>	<b>\$ (1,308,518)</b>
<b>Net Increase (Decrease) in Cash and Cash Equivalents</b>	<b>\$ 388,382</b>	<b>\$ -</b>	<b>\$ 388,382</b>
<b>Cash and Cash Equivalents at January 1</b>	<b>3,962,929</b>	<b>-</b>	<b>3,962,929</b>
<b>Cash and Cash Equivalents at December 31</b>	<b>\$ 4,351,311</b>	<b>\$ -</b>	<b>\$ 4,351,311</b>
<b>Reconciliation of Operating Income (Loss) to Net Cash Provided by (Used in) Operating Activities</b>			
<b>Operating income (loss)</b>	<b>\$ (1,213,580)</b>	<b>\$ 1,328,982</b>	<b>\$ 115,402</b>
<b>Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities</b>			
Increase (decrease) in claims payable	\$ 243,497	\$ -	\$ 243,497
<b>Total adjustments</b>	<b>\$ 243,497</b>	<b>\$ -</b>	<b>\$ 243,497</b>
<b>Net Cash Provided by (Used in) Operating Activities</b>	<b>\$ (970,083)</b>	<b>\$ 1,328,982</b>	<b>\$ 358,899</b>

**SCOTT COUNTY  
SHAKOPEE, MINNESOTA**

**Statement B-1**

**COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES  
AGENCY FUNDS  
FOR THE YEAR ENDED DECEMBER 31, 2014**

	<u>Balance January 1</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance December 31</u>
<b><u>HIGHWAY 169 COALITION</u></b>				
<b><u>Assets</u></b>				
Cash and pooled investments	\$ 91,458	\$ 37,765	\$ 21,034	\$ 108,189
<b><u>Liabilities</u></b>				
Accounts payable	\$ -	\$ 1,172	\$ -	\$ 1,172
Due to other governments	91,458	37,763	22,204	107,017
<b>Total Liabilities</b>	<b>\$ 91,458</b>	<b>\$ 38,935</b>	<b>\$ 22,204</b>	<b>\$ 108,189</b>
<b><u>TRI-CITY TACTICAL TEAM</u></b>				
<b><u>Assets</u></b>				
Cash and pooled investments	\$ 12,032	\$ 58,165	\$ 45,629	\$ 24,568
<b><u>Liabilities</u></b>				
Accounts payable	\$ 1,560	\$ 7,489	\$ 1,560	\$ 7,489
Due to other governments	10,472	6,607	-	17,079
<b>Total Liabilities</b>	<b>\$ 12,032</b>	<b>\$ 14,096</b>	<b>\$ 1,560</b>	<b>\$ 24,568</b>

**SCOTT COUNTY  
SHAKOPEE, MINNESOTA**

**Statement B-1**  
**(Continued)**

**COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES  
AGENCY FUNDS  
FOR THE YEAR ENDED DECEMBER 31, 2014**

	<u>Balance January 1</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance December 31</u>
<b><u>SCOTT FAMILY NET</u></b>				
<b><u>Assets</u></b>				
Cash and pooled investments	\$ 408,431	\$ 190,067	\$ 320,598	\$ 277,900
Accrued interest receivable	295	72	295	72
<b>Total Assets</b>	<b><u>\$ 408,726</u></b>	<b><u>\$ 190,139</u></b>	<b><u>\$ 320,893</u></b>	<b><u>\$ 277,972</u></b>
<b><u>Liabilities</u></b>				
Due to other governments	<b><u>\$ 408,726</u></b>	<b><u>\$ 190,139</u></b>	<b><u>\$ 320,893</u></b>	<b><u>\$ 277,972</u></b>
<b><u>COLLECTIONS FOR OTHER AGENCIES</u></b>				
<b><u>Assets</u></b>				
Cash and pooled investments	\$ 2,889,072	\$ 242,229,409	\$ 242,879,742	\$ 2,238,739
Due from other governments	-	6,787	6,582	205
<b>Total Assets</b>	<b><u>\$ 2,889,072</u></b>	<b><u>\$ 242,236,196</u></b>	<b><u>\$ 242,886,324</u></b>	<b><u>\$ 2,238,944</u></b>
<b><u>Liabilities</u></b>				
Accounts payable	\$ 40,249	\$ 19,932	\$ 40,249	\$ 19,932
Due to other governments	2,848,823	328,786,101	329,415,912	2,219,012
<b>Total Liabilities</b>	<b><u>\$ 2,889,072</u></b>	<b><u>\$ 328,806,033</u></b>	<b><u>\$ 329,456,161</u></b>	<b><u>\$ 2,238,944</u></b>

**SCOTT COUNTY  
SHAKOPEE, MINNESOTA**

**Statement B-1  
(Continued)**

**COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES  
AGENCY FUNDS  
FOR THE YEAR ENDED DECEMBER 31, 2014**

	<b>Balance January 1</b>	<b>Additions</b>	<b>Deductions</b>	<b>Balance December 31</b>
<b><u>TOTAL ALL AGENCY FUNDS</u></b>				
<b><u>Assets</u></b>				
Cash and pooled investments	\$ 3,400,993	\$ 242,515,406	\$ 243,267,003	\$ 2,649,396
Accrued interest receivable	295	72	295	72
Due from other governments	<u>-</u>	<u>6,787</u>	<u>6,582</u>	<u>205</u>
<b>Total Assets</b>	<b><u>\$ 3,401,288</u></b>	<b><u>\$ 242,522,265</u></b>	<b><u>\$ 243,273,880</u></b>	<b><u>\$ 2,649,673</u></b>
<b><u>Liabilities</u></b>				
Accounts payable	\$ 41,809	\$ 28,593	\$ 41,809	\$ 28,593
Due to other governments	<u>3,359,479</u>	<u>329,020,610</u>	<u>329,759,009</u>	<u>2,621,080</u>
<b>Total Liabilities</b>	<b><u>\$ 3,401,288</u></b>	<b><u>\$ 329,049,203</u></b>	<b><u>\$ 329,800,818</u></b>	<b><u>\$ 2,649,673</u></b>

**SCOTT COUNTY  
SHAKOPEE, MINNESOTA**

**Schedule 8**

**SCHEDULE OF INTERGOVERNMENTAL REVENUE  
FOR THE YEAR ENDED DECEMBER 31, 2014**

	<b>Total Primary Government</b>
<b>Shared Revenue</b>	
<b>State</b>	
Highway users tax	\$ 11,113,109
County program aid	4,969,557
PERA rate reimbursement	109,858
Disparity reduction aid	10,324
Police aid	305,909
Aquatic invasive species prevention	33,700
Performance aid	19,170
E-911	235,681
Sales tax rebate	293,928
SCORE	372,925
Market value credit	92,250
<b>Total Shared Revenue</b>	<b>\$ 17,556,411</b>
<b>Reimbursement for Services</b>	
<b>State</b>	
Minnesota Department of Human Services and Department of Health	<b>\$ 2,148,776</b>
<b>Payments</b>	
<b>Local</b>	
City contribution	\$ 1,597,641
MELSA	208,242
Metropolitan Council	2,599,654
<b>Total Payments</b>	<b>\$ 4,405,537</b>
<b>Grants</b>	
<b>State</b>	
Minnesota Department of Corrections	\$ 1,050,820
Education	502
Employment and Economic Development	346,826
Enterprise Technology Office	21,738
Health	419,865
Higher Education Services Office	3,910
Human Services	5,250,154
Natural Resources	116,365
Peace Officers Board	17,056
Pollution Control	152,124
Public Safety	226,121



**SCOTT COUNTY  
SHAKOPEE, MINNESOTA**

**Schedule 8  
(Continued)**

**SCHEDULE OF INTERGOVERNMENTAL REVENUE  
FOR THE YEAR ENDED DECEMBER 31, 2014**

	<b>Total Primary Government</b>
<b>Grants</b>	
<b>State</b>	
Minnesota Department of (Continued)	
Transportation	4,781,389
Veterans Affairs	15,000
Water and Soil Resources	698,890
<b>Total State</b>	<b>\$ 13,100,760</b>
<b>Federal</b>	
Department of	
Agriculture	\$ 543,478
Housing and Urban Development	144,406
Justice	44,538
Labor	477,245
Transportation	11,930,383
Environmental Protection Agency	214,617
Education	18,669
Health and Human Services	6,261,395
Homeland Security	842,758
<b>Total Federal</b>	<b>\$ 20,477,489</b>
<b>Total State and Federal Grants</b>	<b>\$ 33,578,249</b>
Build America Bonds interest subsidy	\$ 214,155
Payments in lieu of taxes	70,669
<b>Total Intergovernmental Revenue</b>	<b>\$ 57,973,797</b>

**SCOTT COUNTY  
SHAKOPEE, MINNESOTA**

**Schedule 9**

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE YEAR ENDED DECEMBER 31, 2014**

<b>Federal Grantor Pass-Through Agency Grant Program Title</b>	<b>Federal CFDA Number</b>	<b>Expenditures</b>
<b>U.S. Department of Agriculture</b>		
Passed Through Minnesota Department of Education		
Child Nutrition Cluster		
School Breakfast Program	10.553	\$ 7,979
National School Lunch Program	10.555	15,422
Passed Through Minnesota Department of Human Services		
State Administrative Matching Grants for the Supplemental Nutrition Assistance Program	10.561	543,077
<b>Total U.S. Department of Agriculture</b>		<b>\$ 566,478</b>
<b>U.S. Department of Housing and Urban Development</b>		
Direct		
Shelter Plus Care	14.238	<b>\$ 144,406</b>
<b>U.S. Department of Justice</b>		
Direct		
State Criminal Alien Assistance Program	16.606	\$ 37,986
Bulletproof Vest Partnership Program	16.607	6,552
<b>Total U.S. Department of Justice</b>		<b>\$ 44,538</b>
<b>U.S. Department of Labor</b>		
Passed Through Minnesota Department of Employment and Economic Development		
Senior Community Service Employment Program	17.235	\$ 58,710
Passed Through Dakota-Scott Service Delivery Area #14		
Workforce Investment Act (WIA) Cluster		
WIA - Adult Program	17.258	137,016
WIA - Youth Activities	17.259	137,649
WIA - Dislocated Worker Formula Grants	17.278	125,280
WIA - National Emergency Grants	17.277	18,590
<b>Total U.S. Department of Labor</b>		<b>\$ 477,245</b>
<b>U.S. Department of Transportation</b>		
Passed Through Minnesota Department of Transportation		
Highway Planning and Construction	20.205	\$ 9,201,431
State and Community Highway Safety	20.600	238,605
Passed Through Minnesota Department of Public Safety		
Minimum Penalties for Repeat Offenders for Driving While Intoxicated	20.608	29,557
<b>Total U.S. Department of Transportation</b>		<b>\$ 9,469,593</b>

**SCOTT COUNTY  
SHAKOPEE, MINNESOTA**

**Schedule 9**  
**(Continued)**

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE YEAR ENDED DECEMBER 31, 2014**

<b>Federal Grantor Pass-Through Agency Grant Program Title</b>	<b>Federal CFDA Number</b>	<b>Expenditures</b>
<b>U.S. Environmental Protection Agency</b>		
Passed Through Minnesota Pollution Control Agency		
Nonpoint Source Implementation Grants	66.460	<b>\$ 214,617</b>
<b>U.S. Department of Education</b>		
Passed Through Minnesota Department of Employment and Economic Development		
Rehabilitation Services - Vocational Rehabilitation Grants to States	84.126	\$ 16,380
Passed Through Minnesota Department of Health		
Special Education - Grants for Infants and Families	84.181	2,289
<b>Total U.S. Department of Education</b>		<b>\$ 18,669</b>
<b>U.S. Department of Health and Human Services</b>		
Passed Through National Association of County and City Health Officials		
Medical Reserve Corps Small Grant Program	93.008	\$ 3,500
Passed Through Minnesota Department of Health		
Public Health Emergency Preparedness	93.069	139,786
Universal Newborn Hearing Screening	93.251	3,850
Immunization Cooperative Agreements	93.268	5,160
Centers for Disease Control and Prevention - Investigations and Technical Assistance	93.283	150
Affordable Care Act (ACA) Maternal, Infant, and Early Childhood Home Visiting Program	93.505	2,411
PPHF National Public Health Improvement Initiative	93.507	2,000
Temporary Assistance for Needy Families	93.558	68,364
(Total Temporary Assistance for Needy Families 93.558 \$579,382)		
Maternal and Child Health Services Block Grant to the States	93.994	56,591
Passed Through Minnesota Department of Human Services		
Promoting Safe and Stable Families	93.556	162,162
Temporary Assistance for Needy Families	93.558	511,018
(Total Temporary Assistance for Needy Families 93.558 \$579,382)		
Child Support Enforcement	93.563	1,644,138
Refugee and Entrant Assistance - State Administered Programs	93.566	2,913
Child Care and Development Block Grant	93.575	126,487
Stephanie Tubbs Jones Child Welfare Services Program	93.645	20,012
Foster Care Title IV-E	93.658	295,586
Social Services Block Grant	93.667	402,850
Chafee Foster Care Independence Program	93.674	3,398
Children's Health Insurance Program	93.767	262
Medical Assistance Program	93.778	2,478,332
Block Grants for Community Mental Health Services	93.958	5,735
<b>Total U.S. Department of Health and Human Services</b>		<b>\$ 5,934,705</b>

**SCOTT COUNTY  
SHAKOPEE, MINNESOTA**

**Schedule 9**  
**(Continued)**

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE YEAR ENDED DECEMBER 31, 2014**

<b>Federal Grantor Pass-Through Agency Grant Program Title</b>	<b>Federal CFDA Number</b>	<b>Expenditures</b>
<b>U.S. Department of Homeland Security</b>		
Passed Through Minnesota Department of Natural Resources		
Boating Safety Financial Assistance	97.012	\$ 8,875
Passed Through Minnesota Department of Public Safety		
Disaster Grants - Public Assistance (Presidentially Declared Disasters)	97.036	708,182
Emergency Management Performance Grants	97.042	130,944
Homeland Security Grant Program	97.067	<u>59,229</u>
<b>Total U.S. Department of Homeland Security</b>		<b><u>\$ 907,230</u></b>
<b>Total Federal Awards</b>		<b><u><u>\$ 17,777,481</u></u></b>

**SCOTT COUNTY  
SHAKOPEE, MINNESOTA**

**NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE YEAR ENDED DECEMBER 31, 2014**

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1. Reporting Entity

The Schedule of Expenditures of Federal Awards presents the activities of federal award programs expended by Scott County. Scott County's financial statements include the operations of the Scott County Community Development Agency (CDA) component unit, which expended \$4,352,965 in federal awards during the year ended December 31, 2014, which are not included in the schedule of expenditures of federal awards. The CDA has its own single audit. The County's reporting entity is defined in Note 1 to the financial statements.

2. Basis of Presentation

The accompanying Schedule of Expenditures of Federal Awards includes the federal grant activity of Scott County under programs of the federal government for the year ended December 31, 2014. The information in this schedule is presented in accordance with the requirements of Office of Management and Budget (OMB) Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Because the schedule presents only a selected portion of the operations of Scott County, it is not intended to and does not present the financial position, changes in net position, or cash flows of Scott County.

3. Summary of Significant Accounting Policies

Expenditures reported on the schedule are reported on the modified accrual basis of accounting. Such expenditures are recognized following the cost principles contained in OMB Circular A-87, *Cost Principles for State, Local and Indian Tribal Governments*, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Pass-through grant numbers were not assigned by the pass-through agencies.

4. Clusters

Clusters of programs are groupings of closely related programs that share common compliance requirements. Total expenditures by cluster are:

Child Nutrition Cluster	\$ 23,401
Workforce Investment Act Cluster	399,945

**SCOTT COUNTY  
SHAKOPEE, MINNESOTA**

**NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE YEAR ENDED DECEMBER 31, 2014**

---

5. Reconciliation to Schedule of Intergovernmental Revenue

Federal grant revenue per Schedule of Intergovernmental Revenue	\$ 20,477,489
Grants received more than 60 days after year-end unavailable in 2014	
State Administrative Matching Grants for the Supplemental Nutrition Assistance Program	23,000
Highway Planning and Construction	1,613,781
Temporary Assistance for Needy Families (TANF)	2,213
Child Support Enforcement	55,268
Refugee and Entrant Assistance – State Administered Program	100
Child Care and Development Block Grant	9,072
Foster Care Title IV-E	11,100
Medical Assistance Program	83,400
Disaster Grants – Public Assistance (Presidentially Declared Disasters)	64,472
Unavailable in 2013, recognized as revenue in 2014	
Highway Planning and Construction	(4,074,571)
Temporary Assistance for Needy Families (TANF)	(96,378)
Child Care and Development Block Grant	(8,364)
Foster Care Title IV-E	(36,458)
Medical Assistance Program	(340,863)
Block Grants for Community Mental Health Services	(5,780)
	<hr/>
Expenditures Per Schedule of Expenditures of Federal Awards	<u>\$ 17,777,481</u>

6. Subrecipients

During 2014, the County did not pass any federal money to subrecipients.

**SCOTT COUNTY  
SHAKOPEE, MINNESOTA**

**STATISTICAL SECTION**

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# STATISTICAL SECTION

This part of the Scott County comprehensive annual financial report presents detailed information as a context for underscoring what the information in the financial statements, note disclosures, and required supplementary information says about the government's overall financial health.

## **Contents**

### **Financial Trends**

*These schedules contain trend information to help the reader understand how government's financial performance and well-being have changed over time.*

### **Revenue Capacity**

*These schedules contain information to help the reader assess the government's most significant local revenue source, the property tax.*

### **Debt Capacity**

*These schedules present information to help the reader assess the affordability of the government's current levels of outstanding debt and the government's ability to issue additional debt in the future.*

### **Demographic and Economic Information**

*These schedules offer demographic and economic indicators to help the reader understand the environment within which the government's financial activities take place.*

### **Operating Information**

*These schedules contain service data to help the reader understand how the information in the government's financial report relates to the services the government provides and the activities it performs.*

**SCOTT COUNTY  
SHAKOPEE, MINNESOTA**

**NET POSITION BY COMPONENT  
LAST TEN FISCAL YEARS**  
(accrual basis of accounting)

	Fiscal Year			
	2005	2006	2007	2008
Governmental activities				
Net investment in capital assets	\$ 151,864,717	\$ 174,441,183	\$ 182,542,671	\$ 194,827,347
Restricted	27,652,680	26,876,150	16,644,399	6,032,607
Unrestricted	<u>16,519,502</u>	<u>14,900,185</u>	<u>32,031,307</u>	<u>41,265,063</u>
Total primary government net assets	<u>\$ 196,036,899</u>	<u>\$ 216,217,518</u>	<u>\$ 231,218,377</u>	<u>\$ 242,125,017</u>

**Note 1:** Accounting standards require that net position be reported in three components in the financial statements: net investment in capital assets; restricted; and unrestricted. Net position is considered restricted when (1) an external party, such as the state or federal government, places a restriction on how the resources may be used, or (2) enabling legislation is enacted by the County.

**Data Source:** Annual Financial Statements

**Schedule 10**

2009	2010	2011	2012	2013	2014
\$ 219,679,890	\$ 243,792,338	\$ 269,165,069	\$ 256,619,645	\$ 297,182,966	\$ 306,794,026
20,768,690	10,028,182	6,973,535	33,575,609	7,139,661	29,435,765
19,409,745	35,315,122	42,819,333	50,694,730	54,568,412	41,020,006
<u>\$ 259,858,325</u>	<u>\$ 289,135,642</u>	<u>\$ 318,957,937</u>	<u>\$ 340,889,984</u>	<u>\$ 358,891,039</u>	<u>\$ 377,249,797</u>

**SCOTT COUNTY  
SHAKOPEE, MINNESOTA**

**CHANGES IN NET POSITION, LAST TEN FISCAL YEARS**

(accrual basis of accounting)

	2005	2006	2007
<b>Expenses</b>			
Governmental activities:			
General government	\$ 20,818,336	\$ 22,653,214	\$ 24,868,556
Public safety	11,917,726	11,983,035	14,254,483
Highways and streets	10,505,037	16,592,829	21,354,943
Sanitation			
Transit	1,590,335	1,765,598	1,911,165
Human services	15,911,692	17,024,438	18,371,717
Health	1,629,703	1,244,853	1,456,738
Culture and recreation	2,883,616	3,101,152	3,069,791
Conservation of natural resources	1,580,265	2,068,631	2,380,622
Economic development	698,351	835,147	908,627
Interest	2,728,599	3,053,728	3,639,720
Total primary government expenses	<u>\$ 70,263,660</u>	<u>\$ 80,322,625</u>	<u>\$ 92,216,362</u>
<b>Program Revenues</b>			
Governmental activities:			
Charges for Services			
General government	\$ 5,684,791	\$ 5,939,794	\$ 5,436,086
Public safety	1,342,294	1,070,580	1,306,881
Highways and streets	852,011	529,361	655,962
Sanitation			
Transit	838,437	752,356	759,969
Human services	1,733,663	1,414,642	1,361,761
Health	114,156	87,136	61,247
Culture and recreation	400,774	377,372	400,039
Conservation of natural resources	290,374	110,773	55,942
Economic development	-	-	-
Operating grants and contributions	18,697,562	22,218,190	25,235,193
Capital grants and contributions	3,888,607	6,118,834	8,886,096
Total primary government program revenues	<u>\$ 33,842,669</u>	<u>\$ 38,619,038</u>	<u>\$ 44,159,176</u>
<b>Net (Expense)/Revenue</b>			
Governmental activities			
Total primary government program revenues	<u>\$ (36,420,991)</u>	<u>\$ (41,703,587)</u>	<u>\$ (48,057,186)</u>

**Schedule 11**

Year Ended						
2008	2009	2010	2011	2012	2013	2014
\$ 25,618,023	\$ 25,031,861	\$ 25,569,214	\$ 26,020,342	\$ 25,675,079	\$ 25,229,256	\$ 30,143,892
15,975,404	16,146,129	16,185,608	16,294,233	16,937,581	17,268,253	17,743,767
14,662,982	18,125,207	16,084,909	16,900,570	17,459,381	26,439,022	29,186,953
						607,561
2,185,830	2,924,354	3,473,775	3,594,642	3,442,515	3,332,636	3,505,356
20,132,717	20,762,767	20,005,842	20,060,750	19,891,285	19,510,732	20,503,295
1,577,582	1,701,344	1,789,338	1,693,024	1,390,006	1,316,532	1,472,934
3,081,620	3,108,008	4,050,508	3,920,374	3,915,280	4,050,068	5,251,659
2,531,749	2,619,937	1,924,732	2,514,175	1,989,395	2,151,983	3,230,343
1,076,789	1,507,141	1,398,746	1,333,970	987,356	981,813	841,163
4,126,940	3,865,760	4,026,691	3,565,887	4,053,538	3,895,230	3,124,296
<u>\$ 90,969,636</u>	<u>\$ 95,792,508</u>	<u>\$ 94,509,363</u>	<u>\$ 95,897,967</u>	<u>\$ 95,741,416</u>	<u>\$ 104,175,525</u>	<u>\$ 115,611,219</u>
\$ 5,569,095	\$ 6,149,260	\$ 5,354,212	\$ 5,203,569	\$ 6,958,585	\$ 6,401,581	\$ 6,890,000
1,939,835	2,035,402	1,680,664	1,674,703	1,857,644	1,779,580	1,859,285
2,191,831	604,946	798,715	796,752	725,435	651,448	772,082
						-
712,037	1,196,881	1,415,864	1,543,471	1,351,766	1,088,239	1,313,284
1,663,690	2,057,987	2,120,274	2,230,123	2,056,806	2,370,983	2,429,197
66,757	121,446	154,390	110,810	102,084	67,375	55,705
410,015	295,048	218,196	207,091	196,645	196,028	682,658
46,755	168,430	75,722	278,801	290,463	156,396	211,219
-	-	-	-	4,130	20	-
24,363,241	27,566,924	24,999,777	24,671,062	26,217,820	25,184,387	30,615,377
5,922,455	8,668,561	15,620,321	22,226,552	13,388,169	17,758,672	21,439,843
<u>\$ 42,885,711</u>	<u>\$ 48,864,885</u>	<u>\$ 52,438,135</u>	<u>\$ 58,942,934</u>	<u>\$ 53,149,547</u>	<u>\$ 55,654,709</u>	<u>\$ 66,268,650</u>
<u>\$ (48,083,925)</u>	<u>\$ (46,927,623)</u>	<u>\$ (42,071,228)</u>	<u>\$ (36,955,033)</u>	<u>\$ (42,591,869)</u>	<u>\$ (48,520,816)</u>	<u>\$ (49,342,569)</u>

**SCOTT COUNTY  
SHAKOPEE, MINNESOTA**

**CHANGES IN NET POSITION, LAST TEN FISCAL YEARS**  
(accrual basis of accounting)

	2005	2006	2007
<b>General Revenues and Other</b>			
<b>Changes in Net Position</b>			
Governmental activities:			
Property taxes	\$ 38,163,001	\$ 42,918,646	\$ 47,972,707
Gravel taxes	158,989	167,773	127,482
Wheelage taxes	-	-	21,112
Mortgage registry and deed taxes	393,728	320,432	232,162
Payments in lieu of tax	128,033	197,511	200,288
Unrestricted grants and contributions	7,020,266	13,074,931	10,341,959
Investment earnings	2,244,925	2,411,715	3,665,733
Miscellaneous	557,980	2,126,851	496,602
Gain on sale of capital assets	-	-	-
Special item	813,855	-	-
Total primary government	<u>\$ 49,480,777</u>	<u>\$ 61,217,859</u>	<u>\$ 63,058,045</u>
 <b>Change in Net Position</b>			
Governmental activities			
Total primary government	<u><u>\$ 13,059,786</u></u>	<u><u>\$ 19,514,272</u></u>	<u><u>\$ 15,000,859</u></u>

**Data Source:** Annual Financial Statements

**Schedule 11**  
**(Continued)**

Year Ended						
2008	2009	2010	2011	2012	2013	2014
\$ 52,976,641	\$ 55,370,987	\$ 54,786,848	\$ 54,926,442	\$ 57,765,265	\$ 57,332,363	\$ 57,894,286
90,707	85,247	100,073	111,633	106,910	92,391	177,084
510,201	529,219	536,934	550,580	596,998	656,970	1,159,298
164,154	412,677	524,190	772,834	623,017	657,881	691,590
198,771	191,592	173,057	165,167	157,582	65,026	70,669
4,733,208	7,130,870	9,656,150	8,645,828	4,445,791	8,120,359	6,589,766
1,542,446	553,275	1,030,065	565,872	607,833	(403,119)	1,118,634
569,063	387,064	1,085,128	783,972	-	-	-
-	-	-	-	220,520	-	-
-	-	1,978,388	255,000	-	-	-
<u>\$ 60,785,191</u>	<u>\$ 64,660,931</u>	<u>\$ 69,870,833</u>	<u>\$ 66,777,328</u>	<u>\$ 64,523,916</u>	<u>\$ 66,521,871</u>	<u>\$ 67,701,327</u>
<u>\$ 12,701,266</u>	<u>\$ 17,733,308</u>	<u>\$ 27,799,605</u>	<u>\$ 29,822,295</u>	<u>\$ 21,932,047</u>	<u>\$ 18,001,055</u>	<u>\$ 18,358,758</u>

**SCOTT COUNTY  
SHAKOPEE, MINNESOTA**

**FUND BALANCES, GOVERNMENTAL FUNDS**

**LAST TEN FISCAL YEARS**

(modified accrual basis of accounting)

	2005	2006	2007	2008
General Fund				
Reserved	\$ 3,329,542	\$ 3,722,444	\$ 3,078,102	\$ 3,604,653
Unreserved	15,222,668	12,719,644	12,944,015	10,932,250
NonSpendable	-	-	-	-
Restricted	-	-	-	-
Unrestricted	-	-	-	-
Total General Fund	<u>\$ 18,552,210</u>	<u>\$ 16,442,088</u>	<u>\$ 16,022,117</u>	<u>\$ 14,536,903</u>
All Other Governmental Funds				
Reserved	\$ 15,710,690	\$ 31,614,576	\$ 25,365,100	\$ 19,512,708
Unreserved, reported in:				
Special revenue funds	(1,213,142)	(239,070)	164,516	7,506,481
Capital projects funds	19,389,145	2,025,828	2,806,653	(4,160,836)
Debt service funds	3,968,272	2,669,355	1,763,698	2,051,809
Restricted	-	-	-	-
Unrestricted	-	-	-	-
Total all other governmental funds	<u>\$ 37,854,965</u>	<u>\$ 36,070,689</u>	<u>\$ 30,099,967</u>	<u>\$ 24,910,162</u>

Scott County implemented GASB 54 for the fiscal year ended December 31, 2011. Prior year amounts were not restated.

In 2011 the Human Services Fund was combined with the General Fund for reporting purposes.

For the years prior to 2011 the Human Services Fund is in the All Other Governmental Funds area.

At the beginning of 2008 the Road and Bridge Special Revenue Fund was dissolved and the operating portion of Public Works was moved into the General Fund and the Construction portion was moved into the Road and Bridge Construction Fund. The Road and Bridge Special Revenue fund balance from 2007 and earlier was used as the balance for comparison purposes before the activity related to operations was moved to the General Fund.

**Data Source:** Annual Financial Statements



**Schedule 12**

Fiscal Year					
2009	2010	2011	2012	2013	2014
\$ 3,449,526	\$ 4,172,275	\$ -	\$ -	\$ -	\$ -
12,410,944	12,289,285	-	-	-	-
-	-	767,306	977,679	549,737	745,193
-	-	4,390,740	5,184,792	4,999,266	5,003,119
-	-	26,027,112	27,349,123	28,018,724	29,441,681
<u>\$ 15,860,470</u>	<u>\$ 16,461,560</u>	<u>\$ 31,185,158</u>	<u>\$ 33,511,594</u>	<u>\$ 33,567,727</u>	<u>\$ 35,189,993</u>
\$ 30,964,714	\$ 13,509,774	\$ -	\$ -	\$ -	\$ -
9,322,506	12,208,274	-	-	-	-
(7,978,103)	2,729,909	-	-	-	-
1,632,935	279,782	-	-	-	-
-	-	1,215,876	27,775,511	1,517,844	21,539,875
-	-	11,887,388	16,569,317	16,953,811	18,858,868
<u>\$ 33,942,052</u>	<u>\$ 28,727,739</u>	<u>\$ 13,103,264</u>	<u>\$ 44,344,828</u>	<u>\$ 18,471,655</u>	<u>\$ 40,398,743</u>

**SCOTT COUNTY  
SHAKOPEE, MINNESOTA**

**CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS**

**LAST TEN FISCAL YEARS**

(modified accrual basis of accounting)

	2005	2006	2007	2008
<b>Revenues</b>				
Taxes	\$ 38,625,778	\$ 43,193,686	\$ 47,959,925	\$ 53,306,544
Special assessments	-	-	-	-
Licenses and permits	2,461,846	2,093,414	1,435,942	1,275,456
Intergovernmental	29,568,096	42,341,283	39,214,829	36,919,185
Charges for services	7,908,270	7,432,481	7,607,047	10,293,805
Fines and forfeits	169,433	154,773	153,841	156,270
Investment earnings	2,243,996	2,410,786	3,664,804	1,530,118
Other revenue	1,542,801	2,497,002	3,061,122	2,435,784
Total revenues	\$ 82,520,220	\$ 100,123,425	\$ 103,097,510	\$ 105,917,162
<b>Expenditures</b>				
Current				
General government	\$ 19,655,670	\$ 21,910,819	\$ 23,900,325	\$ 24,314,268
Public safety	11,314,856	11,808,632	13,135,832	14,276,923
Highways and streets	26,625,969	41,616,047	35,347,917	22,864,615
Sanitation				
Transit	1,522,955	1,714,381	1,890,508	2,152,706
Human services	16,420,127	17,709,324	18,807,425	20,211,681
Health	1,639,749	1,281,624	1,445,070	1,548,045
Culture and recreation	2,919,845	3,121,311	3,044,297	3,028,952
Conservation of natural resources	1,589,195	2,075,742	2,364,357	2,526,311
Economic development	723,280	848,473	913,909	1,072,681
Intergovernmental				
Highways and streets	-	-	-	-
Capital outlay	19,093,958	6,381,670	21,926,952	9,817,431
Debt service				
Principal	5,475,672	3,676,875	4,298,979	6,719,459
Interest	2,401,128	3,126,936	3,206,633	4,024,368
Bond issuance costs	-	28,129	223,190	283,128
Fiscal charges	69,681	9,825	7,644	21,924
Advance refunding escrow	-	-	-	244,593
Total expenditures	\$ 109,452,085	\$ 115,309,788	\$ 130,513,038	\$ 113,107,085
Excess of revenues over (under) expenditures	\$ (26,931,865)	\$ (15,186,363)	\$ (27,415,528)	\$ (7,189,923)

**Schedule 13**

Fiscal Year					
2009	2010	2011	2012	2013	2014
\$ 56,308,616	\$ 56,097,116	\$ 56,689,599	\$ 59,119,757	\$ 58,935,847	\$ 60,217,509
-	-	112,083	106,206	7,869	9,236
998,947	956,867	1,006,168	1,247,330	1,327,380	1,394,179
43,702,233	50,016,195	55,019,543	42,646,956	49,692,152	57,973,797
11,057,512	10,117,300	9,890,944	10,255,226	10,153,873	10,258,724
120,584	102,042	116,248	91,813	74,029	298,302
334,182	889,273	485,225	517,836	(566,974)	1,060,043
2,322,044	2,651,419	2,245,330	2,135,851	2,260,515	2,505,867
<u>\$ 114,844,118</u>	<u>\$ 120,830,212</u>	<u>\$ 125,565,140</u>	<u>\$ 116,120,975</u>	<u>\$ 121,884,691</u>	<u>\$ 133,717,657</u>
\$ 23,789,126	\$ 24,125,719	\$ 24,552,060	\$ 24,293,743	\$ 24,699,581	\$ 26,315,714
14,449,775	15,014,465	14,512,018	14,603,955	15,189,495	16,093,598
30,231,684	7,860,921	7,786,847	8,186,677	9,155,097	9,806,360
					388,692
2,897,641	3,419,790	3,563,000	3,419,536	3,411,286	3,531,791
20,593,583	19,929,032	20,098,380	20,058,459	20,192,948	21,350,609
1,660,907	1,747,268	1,714,613	1,385,883	1,361,953	1,508,546
3,034,801	3,959,358	3,855,843	3,868,405	4,104,066	4,325,258
2,600,089	1,911,120	2,504,661	1,980,255	2,163,304	3,236,997
1,498,310	1,382,638	1,336,037	1,000,573	996,344	860,627
-	-	-	-	-	218,869
4,531,060	34,797,249	38,784,427	22,396,425	32,433,019	38,693,151
13,831,263	9,582,207	4,504,273	4,631,429	30,188,679	4,656,028
3,954,984	3,937,212	3,539,948	3,390,477	3,891,309	2,873,641
103,947	-	-	163,531	-	289,321
18,422	7,849	4,965	4,700	12,470	9,070
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>\$ 123,195,592</u>	<u>\$ 127,674,828</u>	<u>\$ 126,757,072</u>	<u>\$ 109,384,048</u>	<u>\$ 147,799,551</u>	<u>\$ 134,158,272</u>
\$ (8,351,474)	\$ (6,844,616)	\$ (1,191,932)	\$ 6,736,927	\$ (25,914,860)	\$ (440,615)

**SCOTT COUNTY  
SHAKOPEE, MINNESOTA**

**CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS  
LAST TEN FISCAL YEARS**

(modified accrual basis of accounting)

	2005	2006	2007	2008
<b>Other Financing Sources (Uses)</b>				
Transfers in	3,911,957	2,419,802	715,206	2,041,986
Transfers out	(3,911,957)	(2,419,802)	(715,206)	(2,041,986)
Bonds and notes issued	\$ 17,560,000	\$ 10,390,000	\$ 20,290,000	\$ -
Refunding bonds issued	-	-	-	25,825,000
Payment of refunded bond	-	-	-	(25,825,000)
Premium on bonds issued	-	-	707,595	473,536
Discount on bonds issued	-	(72,730)	-	-
Septic loans issued	-	-	-	-
Proceeds from sale of capital assets	81,324	78,615	27,240	41,368
Proceeds from sale of land	-	-	-	-
Loans issued	-	896,080	-	-
Contracts for deed issued	5,410,000	-	-	-
Total other financing sources (uses)	<u>\$ 23,051,324</u>	<u>\$ 11,291,965</u>	<u>\$ 21,024,835</u>	<u>\$ 514,904</u>
<b>Special Item</b>				
Proceeds from sale of land	\$ 864,000	\$ -	\$ -	\$ -
Interest from loan to state	-	-	-	-
Sale of sewer rights	-	-	-	-
Total special items	<u>\$ 864,000</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Net change in fund balance	<u><u>\$ (3,016,541)</u></u>	<u><u>\$ (3,894,398)</u></u>	<u><u>\$ (6,390,693)</u></u>	<u><u>\$ (6,675,019)</u></u>
Debt service as a percentage of noncapital expenditures	3.30%	3.84%	3.48%	4.36%

**Data Source:** Annual Financial Statements

**Schedule 13**  
**(Continued)**

Fiscal Year					
2009	2010	2011	2012	2013	2014
10,270,989	6,811,165	4,002,750	4,549,090	3,220,795	2,730,620
(10,270,989)	(6,811,165)	(4,002,750)	(4,549,090)	(3,220,795)	(2,730,620)
\$ 16,800,000	\$ -	\$ -	\$ -	\$ -	\$ 3,355,000
-	-	-	24,570,000	-	17,170,000
-	-	-	-	-	-
104,056	-	-	1,980,553	-	3,104,168
-	-	-	-	-	-
-	-	-	-	-	234,555
42,512	50,286	36,055	-	97,820	126,246
-	-	-	-	-	-
1,760,363	202,719	-	-	-	-
-	-	-	-	-	-
<u>\$ 18,706,931</u>	<u>\$ 253,005</u>	<u>\$ 36,055</u>	<u>\$ 26,550,553</u>	<u>\$ 97,820</u>	<u>\$ 23,989,969</u>
\$ -	\$ -	\$ -	\$ 280,520	\$ -	\$ -
-	1,978,388	-	-	-	-
-	-	255,000	-	-	-
<u>\$ -</u>	<u>\$ 1,978,388</u>	<u>\$ 255,000</u>	<u>\$ 280,520</u>	<u>\$ -</u>	<u>\$ -</u>
<u>\$ 10,355,457</u>	<u>\$ (4,613,223)</u>	<u>\$ (900,877)</u>	<u>\$ 33,568,000</u>	<u>\$ (25,817,040)</u>	<u>\$ 23,549,354</u>
3.81%	4.04%	3.79%	3.69%	3.03%	2.51%

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**SCOTT COUNTY  
SHAKOPEE, MINNESOTA**

**Schedule 14**

**ASSESSED AND ESTIMATED MARKET VALUE OF TAXABLE PROPERTY\*  
LAST TEN FISCAL YEARS**

Fiscal Year Assessed	Real Property		Personal Property		Total		% of Total Assessed to Total Estimated Market Value	Total Direct County Tax Rate
	Assessed Value **	Estimated Market Value	Assessed Value **	Estimated Market Value	Assessed Value **	Estimated Market Value		
2004/2005	\$ 111,575,464	\$ 10,772,456,100	\$ 1,212,244	\$ 62,481,900	\$ 112,787,708	\$ 10,834,938,000	1.04%	36.870
2005/2006	127,544,003	12,281,218,300	1,242,374	63,935,700	128,786,377	12,345,154,000	1.04%	36.108
2006/2007	145,168,145	13,971,499,200	1,447,066	74,202,900	146,615,211	14,045,702,100	1.04%	35.032
2007/2008	161,119,868	15,342,209,000	1,444,433	73,916,800	162,564,301	15,416,125,800	1.05%	34.425
2008/2009	167,394,353	15,902,765,600	1,452,313	74,260,900	168,846,666	15,977,026,500	1.06%	34.401
2009/2010	161,166,414	14,936,986,800	1,496,714	77,314,200	162,663,128	15,014,301,000	1.08%	35.014
2010/2011	154,142,098	14,087,188,800	2,255,603	114,411,800	156,397,701	14,201,600,600	1.10%	37.397
2011/2012	145,540,747	13,868,070,800	2,339,334	118,543,500	147,880,081	13,986,614,300	1.06%	40.640
2012/2013	137,630,150	13,150,250,900	2,483,661	124,467,900	140,113,811	13,274,718,800	1.06%	42.628
2013/2014	141,617,386	13,473,213,200	2,668,191	133,695,100	158,646,339	13,606,908,300	1.17%	41.728

\* Valuations are determined as of January 1 of the year preceding the tax collection year. Amounts are shown for the year in which taxes are payable.

\*\* Assessed value prior to Fiscal Disparity and Tax Increment District Adjustments.

**Data Source:** Taxation Department

**SCOTT COUNTY  
SHAKOPEE, MINNESOTA**

**TAX CAPACITY RATES PAYABLE  
ALL DIRECT AND OVERLAPPING GOVERNMENTS  
LAST TEN FISCAL YEARS**

Governments				
	2005	2006	2007	2008
County	35.361	34.107	33.140	32.646
Scott County WMO	1.208	1.395	1.309	1.224
Scott Vermillion WMO	0.301	0.606	0.583	0.555
Total direct rate	36.870	36.108	35.032	34.425
Cities				
Belle Plaine	58.142	54.983	54.929	55.137
Elko	59.133	50.679	-	-
Elko New Market			35.687	37.161
Jordan	55.530	50.786	47.287	51.039
New Market	33.343	37.509	-	-
New Prague	57.299	49.987	50.934	51.402
Prior Lake	32.469	31.305	28.435	28.064
Savage	46.385	46.489	50.155	48.356
Shakopee	31.115	30.974	31.939	31.925
Townships				
Belle Plaine	9.799	8.841	7.742	7.409
Belle Plaine Fire	4.866	4.616	3.980	3.634
Jordan Fire	-	3.296	2.449	3.298
New Prague Fire	1.842	2.135	1.757	3.158
Blakeley	18.653	18.844	16.934	15.621
Cedar Lake	10.61	8.925	7.840	7.041
New Prague Fire	1.545	1.733	1.518	2.744
New Market Fire	2.008	2.012	1.697	1.924
Credit River	8.403	9.660	9.949	10.279
Helena	10.066	8.656	7.797	7.552
Jordan Fire	6.217	5.345	3.330	5.716
New Prague Fire	1.646	2.045	1.851	2.999
Jackson	9.832	9.180	8.001	11.729
Louisville	4.149	4.119	4.183	3.978
New Market	3.766	5.514	12.784	6.192



**Schedule 15**

2009	2010	2011	2012	2013	2014
32.684	33.237	35.541	38.802	40.674	39.720
1.209	1.259	1.305	1.336	1.411	1.388
0.508	0.518	0.551	0.502	0.544	0.620
34.401	35.014	37.397	40.640	42.628	41.728
54.023	61.338	67.320	83.936	92.904	92.246
-	-	-	-	-	-
36.967	39.580	43.912	45.259	54.336	53.547
52.736	60.840	60.660	71.938	71.604	76.247
-	-	-	-	-	-
52.677	58.692	64.080	70.083	74.535	70.348
27.947	29.442	30.710	29.740	31.887	30.736
46.013	47.335	48.278	51.123	55.508	55.278
32.630	33.710	34.731	36.655	41.996	41.437
9.891	10.161	9.577	11.709	12.774	13.641
2.921	2.673	2.525	2.682	2.743	2.504
3.338	2.837	2.417	3.471	3.028	5.105
3.219	2.873	2.674	4.135	3.574	3.444
14.709	13.492	13.077	17.695	16.590	16.851
5.903	6.298	6.351	6.661	6.666	6.828
8.760	2.925	3.306	3.574	3.711	3.690
8.602	2.859	2.988	3.033	3.069	3.600
10.876	10.977	16.586	12.847	13.648	14.212
7.061	7.723	8.541	8.337	9.097	10.443
5.258	4.174	4.668	3.880	3.776	1.535
2.818	3.147	3.649	3.896	3.880	3.587
15.130	10.546	10.209	13.212	12.207	12.719
4.548	4.635	4.724	4.810	4.896	4.507
8.036	9.787	12.213	15.979	14.232	15.482

**SCOTT COUNTY  
SHAKOPEE, MINNESOTA**

**TAX CAPACITY RATES PAYABLE  
ALL DIRECT AND OVERLAPPING GOVERNMENTS  
LAST TEN FISCAL YEARS**

Governments	2005	2006	2007	2008
Sand Creek	15.455	14.867	14.287	14.509
St. Lawrence	22.308	20.037	18.029	17.200
Belle Plaine Fire	7.874	7.673	6.666	5.822
Jordan Fire	4.841	5.201	4.607	4.362
Spring Lake Twp	12.691	11.630	11.368	10.881
Schools				
Burnsville	17.729	18.315	18.152	19.374
Lakeville	25.411	25.670	25.252	26.250
Bloomington	16.697	16.333	15.611	17.256
LeSueur/Henderson	16.573	41.671	39.958	33.227
Belle Plaine	12.660	40.064	33.289	32.911
Jordan	29.698	26.733	24.029	21.236
Prior Lake	27.175	33.318	32.650	31.372
Shakopee	25.215	27.789	27.132	26.103
New Prague	33.809	34.270	32.237	28.407
Henderson	7.660	33.288	31.768	25.934
Special Districts				
Shakopee EDA	0.065	0.057	0.051	0.045
Jordan EDA	-	1.779	1.143	1.099
County HRA-CDA	1.409	1.351	1.525	1.642
Met Council	0.994	0.872	0.862	0.820
Mosquito Control	0.528	0.493	0.480	0.480
Met Transit	1.337	1.493	1.237	1.237
Lower MN Watershed	0.327	0.312	0.279	0.418
Prior Lake/Spring Lake Water	2.971	2.809	2.421	1.951
Cedar Lake Improvement	0.634	0.507	0.406	0.341
Region 9 Develop Authority	0.227	0.213	0.196	0.192
Cedar Lake Sewer & Water	2.696	2.287	2.013	1.847
Prior Lake EDA	-	-	-	-

N/A - Not Available

**Data Source:** Taxation Department

**Schedule 15**  
**(Continued)**

2009	2010	2011	2012	2013	2014
15.406	15.699	17.362	18.660	18.864	18.717
17.405	17.048	18.539	19.342	18.326	19.264
4.242	4.118	4.252	4.466	4.147	4.211
4.959	4.473	5.017	5.892	6.170	6.638
10.292	11.613	16.250	16.579	18.199	17.871
19.842	20.668	21.855	21.878	26.168	25.661
27.062	27.714	32.138	32.059	33.535	33.048
17.424	19.306	21.896	22.464	26.758	28.183
30.635	27.099	21.773	22.818	22.038	23.206
35.376	38.125	38.310	40.597	41.653	39.070
24.043	24.370	21.509	29.672	24.912	26.184
30.801	32.701	34.042	34.388	35.520	36.129
27.274	29.351	31.182	35.512	39.715	36.963
28.449	31.305	30.137	32.475	34.444	33.724
24.231	20.839				
0.044	-	-	-	-	-
1.041	1.181	1.154	1.375	1.367	1.443
1.552	1.612	1.701	1.729	1.724	1.685
0.803	0.795	0.828	0.959	1.017	1.034
0.470	0.454	0.482	0.538	0.557	0.533
1.203	1.381	1.440	1.647	1.744	1.624
0.888	0.490	0.240	0.455	0.659	0.693
1.784	2.004	2.069	2.084	2.101	2.058
0.314	0.330	0.389	0.408	3.556	3.485
0.197	0.207	0.198	0.207	0.209	0.176
1.784	1.988	3.895	4.113	4.046	4.098
-	-	-	-	-	0.551

**SCOTT COUNTY  
SHAKOPEE, MINNESOTA**

**Schedule 16**

**TEN LARGEST TAXPAYERS IN THE COUNTY  
CURRENT YEAR AND NINE YEARS AGO**

2014			2005		
NAME	TAX CAPACITY VALUE	% OF TOTAL COUNTY TAX CAPACITY	NAME	TAX CAPACITY VALUE	% OF TOTAL COUNTY TAX CAPACITY
Northern States Power	\$ 1,182,047	0.84%	Northern States Power	\$ 774,365	0.60%
Centerpoint Energy	736,708	0.53%	Minnegasco	502,362	0.39%
MN Pipeline Co	692,080	0.49%	Rahr Malting Company	401,189	0.31%
Shakopee Mdewakanton Sioux	446,203	0.32%	Seagate Technology LLC	399,250	0.31%
Rahr Malting Company	426,392	0.30%	Shakopee Crossings	344,163	0.27%
MN Valley Electric	418,109	0.30%	Indland Shak Valley Market	339,458	0.26%
J&J Minneapolis LLC	408,500	0.29%	Certainfeed Products Corp.	335,258	0.26%
Seagate Technology LLC	399,250	0.28%	Karl Bohn	325,908	0.25%
Lothenbach Properties	379,250	0.27%	Minnesota Valley Electric	325,387	0.25%
St Francis Regional Medical Center	358,500	0.26%	K-Mart Corporation	300,988	0.23%
Total	<u>\$ 5,447,039</u>	<u>3.88%</u>	Total	<u>\$ 4,048,328</u>	<u>3.13%</u>

**Data Source:** Taxation Department

**SCOTT COUNTY  
SHAKOPEE, MINNESOTA**

**Schedule 17**

**PROPERTY TAX LEVIES AND COLLECTIONS  
LAST TEN FISCAL YEARS**

Fiscal Year	Total Tax Levy	Current Year Tax Collection	Current Year Detail		Delinquent Collections Abatements	Total Current Year Collections	% of Current Levy	Outstanding Delinquent Taxes	Total
			Percent (%) of Levy	Delinquent					Delinquent Taxes
									as a % of Current Levy
2005	\$ 37,495,183	\$ 37,005,181	98.69%	\$ 490,002	\$ 488,869	\$ 37,494,050	100.00%	\$ 1,133	0.00%
2006	41,701,795	40,996,989	98.31%	704,806	700,855	41,697,844	99.99%	3,951	0.01%
2007	46,604,584	45,640,471	97.93%	964,113	954,901	46,595,372	99.98%	9,212	0.02%
2008	50,883,882	49,621,630	97.52%	1,262,252	1,235,359	50,856,989	99.95%	26,893	0.05%
2009	53,645,571	51,818,203	96.59%	1,827,368	1,786,017	53,604,220	99.92%	41,351	0.08%
2010	53,548,852	52,458,392	97.96%	1,090,460	1,029,620	53,488,012	99.89%	60,840	0.11%
2011	54,346,114	53,555,028	98.54%	791,086	688,806	54,243,834	99.81%	102,280	0.19%
2012	57,318,899	56,557,633	98.67%	761,266	583,457	57,141,090	99.69%	177,809	0.31%
2013	56,958,445	56,216,333	98.70%	742,112	41,878	56,258,211	98.77%	700,234	1.23%
2014	57,564,877	57,073,643	99.15%	491,234	19,164	57,092,807	99.18%	472,070	0.82%

**Data Source:** Taxation Department

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**SCOTT COUNTY  
SHAKOPEE, MINNESOTA**

**Schedule 18**

**RATIOS OF OUTSTANDING DEBT TO PERSONAL INCOME AND DEBT PER CAPITA  
LAST TEN FISCAL YEARS**

Fiscal Year	General Obligation Bonds	Lease Revenue Bonds	Contract for Deed	Loans Payable	Less Debt Service Fund	Net Total Debt	Personal Income	Total Debt Per Capita		Percentage of Personal Income	
								Total	Net	Total	Net
2005	\$ 54,571,232	\$ 14,525,000	\$ 2,524,328	\$ -	\$ 6,271,540	\$ 65,349,020	\$ 4,343,007,000	\$ 597.71	\$ 545.37	1.65%	1.50%
2006	63,176,672	13,570,000	1,517,453	896,080	5,008,617	74,151,588	4,636,157,000	637.92	597.55	1.71%	1.60%
2007	82,416,073	12,575,000	-	874,554	4,140,961	91,724,666	5,044,605,000	756.98	724.28	1.90%	1.82%
2008	88,785,016	-	-	830,095	2,051,809	87,563,302	5,282,379,000	695.03	679.12	1.70%	1.66%
2009	91,760,694	-	-	2,524,195	1,632,935	92,651,954	5,203,056,000	714.61	702.23	1.81%	1.78%
2010	82,062,316	-	-	2,679,707	279,782	84,462,241	5,573,589,000	652.22	650.07	1.52%	1.52%
2011	77,538,602	-	-	2,630,434	331,923	79,837,113	6,018,025,000	604.79	602.29	1.33%	1.33%
2012	99,444,078	-	-	2,579,005	26,860,703	75,162,380	6,771,385,586	754.88	556.13	1.12%	1.11%
2013	69,149,689	-	-	2,525,326	634,029	71,040,986	N/A	522.29	517.67	N/A	N/A
2014	88,079,708	-	-	2,703,853	20,713,794	70,069,767	N/A	649.98	501.67	N/A	N/A

N/A = Not Available

**Data Source:** Taxation Department

**SCOTT COUNTY  
SHAKOPEE, MINNESOTA**

**RATIO OF TOTAL AND NET BONDED DEBT TO ASSESSED VALUATION/TAX CAPACITY  
AND TOTAL AND NET BONDED DEBT PER CAPITA  
LAST TEN FISCAL YEARS**

Fiscal Year Assessed	Population	Assessed Valuation/Tax Capacity	Long-Term Debt			
			General Obligation Bonds	Lease Revenue Bonds	Contract for Deed	Loans Payable
2005	119,825	\$ 112,787,708	\$ 54,571,232	\$ 14,525,000	\$ 2,524,328	\$ -
2006	124,092	128,786,377	63,176,672	13,570,000	1,517,453	896,080
2007	126,642	146,615,211	82,416,073	12,575,000	-	874,554
2008	128,937	162,564,301	88,785,016	-	-	830,095
2009	131,939	168,846,666	91,760,694	-	-	2,524,195
2010	129,928	162,663,128	82,062,316	-	-	2,679,707
2011	132,556	156,397,701	77,538,602	-	-	2,630,434
2012	135,152	147,880,081	99,444,078	-	-	2,579,005
2013	137,232	140,113,811	69,149,689	-	-	2,525,326
2014	139,672	158,646,339	88,079,708	-	-	2,703,853

Data Source: Annual Financial Statements



**Schedule 19**

Total Long-Term Debt	Less Amount Available for Debt Service	Net LT Debt	Debt Per Capita		LT Debt to Assessed Valuation/Tax Capacity	
			Total	Net	Total (%)	Net (%)
\$ 71,620,560	\$ 6,271,540	\$ 65,349,020	\$ 597.71	\$ 545.37	63.50%	57.94%
79,160,205	5,008,617	74,151,588	637.92	597.55	61.47%	57.58%
95,865,627	4,140,961	91,724,666	756.98	724.28	65.39%	62.56%
89,615,111	2,051,809	87,563,302	695.03	679.12	55.13%	53.86%
94,284,889	1,632,935	92,651,954	714.61	702.23	55.84%	54.87%
84,742,023	279,782	84,462,241	652.22	650.07	52.10%	51.92%
80,169,036	331,923	79,837,113	604.79	602.29	51.26%	51.05%
102,023,083	26,860,703	75,162,380	754.88	556.13	68.99%	50.83%
71,675,015	634,029	71,040,986	522.29	517.67	51.15%	50.70%
90,783,561	20,713,794	70,069,767	649.98	501.67	57.22%	44.17%

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**SCOTT COUNTY  
SHAKOPEE, MINNESOTA**

**Schedule 20**

**CURRENT UNDERLYING AND OVERLAPPING (INDIRECT) DEBT OF SCOTT COUNTY  
January 2, 2015**

Taxing Unit (a)	Debt (b)	Debt Applicable to Valuation in County	
		Percent (%)	Amount
<b>Underlying</b>			
Scott County	\$ 85,288,853	100.00%	\$ 85,288,853
<b>Overlapping (c)</b>			
Cities			
Belle Plaine	\$ 17,751,680	100.00%	\$ 17,751,680
Elko New Market	9,401,611	100.00%	9,401,611
Jordan	8,507,000	100.00%	8,507,000
New Prague	55,030,360	55.22%	30,387,765
Prior Lake	33,640,000	100.00%	33,640,000
Savage	65,501,200	100.00%	65,501,200
Shakopee	13,830,000	100.00%	13,830,000
School Districts			
191 (Burnsville-Eagan-Savage)	103,355,000	24.42%	25,239,291
194 (Lakeville)	155,085,000	19.41%	30,101,999
271 (Bloomington)	155,695,000	0.10%	155,695
2397 (LeSueur/Henderson)	14,030,000	1.11%	155,733
716 (Belle Plaine)	56,955,000	77.41%	44,088,866
717 (Jordan)	45,530,000	100.00%	45,530,000
719 (Prior Lake)	161,835,000	100.00%	161,835,000
720 (Shakopee)	169,705,000	100.00%	169,705,000
721 (New Prague)	63,490,000	61.44%	39,008,256
Townships			
Credit Lake	305,124	100.00%	305,124
Credit River	1,465,000	100.00%	1,465,000
Sand Creek	477,010	100.00%	477,010
Spring Lake	2,153,000	100.00%	2,153,000
Special Taxing Districts			
Metropolitan Council (includes Met Transit)	1,724,004,856	4.82%	83,097,034
Scott County CDA	40,945,000	100.00%	40,945,000
Cedar Lake Sewer & Water	857,902	100.00%	857,902
Prior Lake Spring Lake Watershed	1,080,000	100.00%	1,080,000
<b>Subtotal, overlapping debt</b>			<b>\$ 825,219,166</b>
<b>Total underlying and overlapping debt</b>			<b>\$ 910,508,019</b>

(a) Only those taxing units with debt outstanding are shown here.

(b) Excludes general obligation debt supported by revenues and general obligation tax and aid anticipation certificates of indebtedness, but includes debt supported by tax increments.  
Debt shown is as of January 2, 2015.

(c) Determined by ratio of assessed valuation of property subject to taxation in overlapping unit to valuation of property subject to taxation in reporting unit.

**SCOTT COUNTY  
SHAKOPEE, MINNESOTA**

**LEGAL DEBT MARGIN  
LAST TEN FISCAL YEARS**

	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>
<b>Assessed value</b> (see schedule 14)	\$ 10,834,938,000	\$ 12,345,154,000	\$ 14,045,702,100	\$ 15,416,125,800
<b>Legal debt margin</b>				
Debt limit (3% of assessed value)	216,698,760	246,903,080	280,914,042	462,483,774
Debt applicable to limit: (see schedule 19)				
General Obligation bonds	54,660,000	63,176,672	82,416,073	88,785,016
Facility Lease bonds	14,525,000	13,570,000	12,575,000	-
Less: amount available for debt service	<u>(6,271,540)</u>	<u>(5,008,617)</u>	<u>(4,140,961)</u>	<u>(2,051,809)</u>
Total debt applicable to limit	<u>62,913,460</u>	<u>71,738,055</u>	<u>90,850,112</u>	<u>86,733,207</u>
Legal debt margin	<u><u>\$ 153,785,300</u></u>	<u><u>\$ 175,165,025</u></u>	<u><u>\$ 190,063,930</u></u>	<u><u>\$ 375,750,567</u></u>
Total debt applicable to the limit as a percentage of debt limit	29.03%	29.06%	32.34%	18.75%

Minn. Stat. Section 475.53, subd. 1 states that except as otherwise provided in Minn. Stat. Sections 475.51 to 475.74, no municipality except a school district or a city of the first class, shall incur or be subject to a net debt in excess of three percent of the estimated market value. Prior to 2008, the debt limit was two percent of the estimated market value.

Source: Assessed values are provided by Scott County Taxation Department.

**Schedule 21**

Fiscal Year					
<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
\$ 15,977,026,500	\$ 15,014,301,000	\$ 14,201,600,600	\$ 13,986,614,300	\$ 13,274,718,800	\$ 13,606,908,300
479,310,795	450,429,030	426,048,018	419,598,429	398,241,564	408,207,249
91,760,694	81,260,000	76,805,000	96,795,000	66,660,000	82,585,000
-	-	-	-	-	-
(1,632,935)	(279,782)	(331,923)	(26,860,703)	(634,029)	(20,713,794)
90,127,759	80,980,218	76,473,077	69,934,297	66,025,971	61,871,206
<u>\$ 389,183,036</u>	<u>\$ 369,448,812</u>	<u>\$ 349,574,941</u>	<u>\$ 349,664,132</u>	<u>\$ 332,215,593</u>	<u>\$ 346,336,043</u>
18.80%	17.98%	17.95%	16.67%	16.58%	15.16%

**SCOTT COUNTY  
SHAKOPEE, MINNESOTA**

**Schedule 22**

**DEMOGRAPHIC AND ECONOMIC STATISTICS  
LAST TEN FISCAL YEARS**

Fiscal Year	(1) Population	(2) Personal Income	(2) Per Capita Income	(1) Median Age	(3) School Enrollment K-12	(4) Annual Average Unemployment Percentage Rate (%)
2005	119,825	\$ 4,298,227,000	\$ 36,702	N/A	18,371	3.6%
2006	124,092	4,586,956,000	37,905	32	19,391	3.5%
2007	126,642	5,032,365,000	40,567	32	20,006	4.0%
2008	128,937	5,326,808,000	42,072	33	20,604	5.0%
2009	131,939	5,265,489,000	40,967	34	21,202	7.3%
2010	129,928	5,597,833,000	42,891	35	21,751	6.9%
2011	132,556	6,104,432,000	45,967	35	21,992	5.8%
2012	135,047	6,383,293,000	47,080	N/A	22,849	5.0%
2013	137,603	N/A	47,174	N/A	23,488	4.4%
2014	139,672	N/A	N/A	N/A	23,860	3.5%

Data Sources:

- (1) United States Census Bureau and United States 2010 Census
- (2) <http://bea.gov/bea/regional>
- (3) State Department of Education
- (4) State Department of Employment and Economic Development

N/A - Not Available

**SCOTT COUNTY  
SHAKOPEE, MINNESOTA**

**Schedule 23**

**PRINCIPAL EMPLOYERS  
CURRENT YEAR AND SEVEN YEARS AGO**

2014				2007			
Employer	Employees	Rank	Percentage of Total County Employment	Employees	Rank	Percentage of Total County Employment	
Shakopee Mdewakanton Sioux	4,300	1	9.54%	1,800	1	4.70%	
Valleyfair	1,600	2	3.55%	1,600	2	4.18%	
Seagate Technology LLC	1,595	3	3.54%	1,500	3	3.92%	
I.S.D. No. 720 (Shakopee)	995	5	2.21%	785	7	2.05%	
Canterbury Park	980	4	2.17%	1,100	4	2.87%	
I.S.D. No. 719 (Prior Lake - Savage)	950	6	2.11%	937	5	2.45%	
Imagine Print Solutions	900	7	2.00%	-		-	
St. Francis Regional Medical Center	802	8	1.78%	850	6	2.22%	
Scott County	750	9	1.66%	675	8	1.76%	
I.S.D. No. 721 (New Prague)	516	10	1.15%	500	9	1.31%	
Chart Industries	-		-	400	10	1.05%	
Total	13,388		29.71%	10,147		26.51%	

**Data Source:** 2014 and 2007 information from Springsted Inc.

**SCOTT COUNTY  
SHAKOPEE, MINNESOTA**

**Schedule 24**

**FULL-TIME EQUIVALENTS SCOTT COUNTY EMPLOYEES BY FUNCTION  
LAST TEN FISCAL YEARS**

<b>Function</b>	Full-time Equivalent Employees as of December 31									
	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
General Government	213	219	224	222	220	213	213	207	208	210
Public Safety	132	139	135	140	141	142	139	140	138	138
Highways and Streets	68	65	62	68	68	62	60	60	62	65
Transit	26	25	25	25	25	26	26	25	26	35
Human Services	189	184	186	188	188	195	193	193	197	206
Health	14	14	15	16	16	18	12	14	14	14
Culture and Recreation	32	33	33	33	34	30	29	29	29	29
Conservation of Natural Resources	5	5	6	5	5	4	4	4	4	5
Economic Development	5	5	5	6	6	8	8	6	5	5
Total	684	689	691	703	703	698	684	678	683	707

**Data Source:** Employee Relations Department



**SCOTT COUNTY  
SHAKOPEE, MINNESOTA**

**Schedule 25**

**OPERATING INDICATORS BY FUNCTIONS/PROGRAM  
LAST FIVE FISCAL YEARS**

	Fiscal Year				
	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
<b>Function/Program</b>					
<u>General Government</u>					
Employee Relations					
Collective bargaining agreements	9	9	9	9	9
Finance					
Cash receipts processed	65,903	70,248	78,382	81,057	67,593
Physical payroll checks issued	3,163	2,826	2,309	1,718	1,631
ACH payroll payments	19,542	19,491	19,693	20,182	21,275
Claims paid	24,779	26,629	27,146	27,118	26,496
Properties physically appraised	11,056	11,155	11,163	11,287	11,080
New dwelling permits	430	386	513	621	504
Community Corrections					
Recidivism rates (percentage of felony offenders supervised by Scott County Community Corrections who subsequently received another felony conviction)					
Adults while under supervision	14%	14%	16%	25%	17%
Juvenile while under supervision	18%	40%	30%	18%	0%
Adult offender employment (percentage of adult offenders who obtained and maintained employment while under supervision)	53%	54%	46%	49%	52%
Juvenile education (percentage of juvenile offenders who maintained education while under supervision)	87%	95%	80%	86%	79%
Land Records					
Deeds recorded	3,870	7,074	5,392	5,102	4,656
Real estate documents processed	33,800	29,785	36,901	33,842	25,158
Birth certificates issued	1,419	3,190	3,109	3,255	N/A
Death certificates issued	477	711	607	1,022	N/A

**SCOTT COUNTY  
SHAKOPEE, MINNESOTA**

**Schedule 25**  
**(Continued)**

**OPERATING INDICATORS BY FUNCTIONS/PROGRAM  
LAST FIVE FISCAL YEARS**

	Fiscal Year				
	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
<b>Function/Program</b>					
Marriage licenses applied for	606	625	671	663	N/A
Customer Service					
Passports applied for	2,863	2,970	3,088	3,494	N/A
Motor vehicle registrations issued	26,131	26,673	28,587	30,890	N/A
<b><u>Public Safety</u></b>					
Sheriff					
Total calls for service received	172,000	182,114	166,016	178,416	230,881
Scott County calls	13,376	12,249	10,936	9,925	9,844
All law enforcement agencies	65,075	53,172	55,167	64,006	63,783
Part I crimes	177	130	25	32	N/A
Part II crimes	2,698	2,991	1,215	1,017	N/A
Fire calls	2,182	2,279	2,285	2,400	6,302
Medical calls	5,500	5,785	6,152	6,277	2,546
Drug cases	115	127	108	129	130
Fatal crashes	2	-	2	4	2
Personal injury crashes	85	56	94	80	62
Property damage crashes	183	194	236	239	232
Citations issued	3,451	2,267	1,937	2,363	1,949
Drug arrests	71	82	69	87	N/A
Civil papers served	4,040	3,514	3,465	2,933	2,770
Warrants	3,564	3,438	3,663	4,034	3,868

**SCOTT COUNTY  
SHAKOPEE, MINNESOTA**

**Schedule 25**  
***(Continued)***

**OPERATING INDICATORS BY FUNCTIONS/PROGRAM  
LAST FIVE FISCAL YEARS**

	Fiscal Year				
	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
<b>Function/Program</b>					
Inmates booked:	4,249	4,173	4,081	4,023	4,381
Males booked	3,275	3,050	3,079	3,046	3,271
Females booked	974	988	1,002	977	1,110
Adults booked	4,143	4,038	3,956	3,937	4,269
Juveniles booked	106	135	125	86	1,112
Average daily inmate population - adult	103	110	114	122	138
<b><u>Highways and Streets</u></b>					
Resurfacing (miles)	9.8	N/A	8.9	15.9	N/A
Vehicle/equipment units serviced	253	N/A	206	N/A	N/A
<b><u>Transit</u></b>					
Miles					
Service miles	1,065,253	1,073,977	1,020,695	1,084,939	1,116,868
Revenue miles	829,774	942,150	866,141	906,393	889,828
Hours					
Service hours	70,232	72,421	69,719	71,566	75,831
Revenue hours	45,666	54,463	51,271	51,353	52,303
Passengers	216,215	223,065	209,756	193,832	190,023
Passenger per revenue mile	0.26	0.24	0.24	0.21	0.21
Passenger per service mile	0.20	0.21	0.21	0.17	0.17
Passenger per service hour	3.08	3.08	3.01	2.70	2.51
Passenger per revenue hour	4.73	4.10	4.09	3.77	3.63
Cost per passenger	15.23	15.70	16.58	17.30	18.03

**SCOTT COUNTY  
SHAKOPEE, MINNESOTA**

**Schedule 25**  
***(Continued)***

**OPERATING INDICATORS BY FUNCTIONS/PROGRAM  
LAST FIVE FISCAL YEARS**

	Fiscal Year				
	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
<b>Function/Program</b>					
<u>Human Services</u>					
Income Maintenance					
Percent of SNAP expedited applications processed within one business day	54.1%	66.6%	63.5%	70.9%	64.6%
Percent of cash assistance and SNAP applications processed timely	78.8%	84.9%	82.4%	84.6%	85.7%
Social Services					
Percent of children with a maltreatment determination who do not experience a repeat maltreatment determination within 6 months	94.6%	100.0%	90.9%	93.5%	N/A
Percent of children discharged from out-of-home placement to reunification in less than a year	96.9%	90.9%	76.7%	74.1%	88.0%
Percent of children in foster care or pre-adoptive homes who were placed with relatives	33.3%	46.2%	39.0%	43.1%	53.8%
Number of children in out of home placement (unduplicated)	138	147	145	97	90.0%
Number of hours developmental disabilities social workers spent providing case management services to clients	12,562	12,307	11,160	11,084	11,039
Number of hours daycare licensing staff spent educating, licensing and monitoring approximately 400 daycare providers	6,321	6,567	6,155	5,930	5,802
Number of clients served in the mental health center (unduplicated)	1,934	2,577	2,637	2,697	N/A
Percentage improvement in Child and Adolescent Service Intensity Instrument (CASII) Score	51.2%	50.0%	44.3%	63.9%	61.9%
Average number of active child support cases per month	3,166	3,206	3,240	3,267	3,175
Total child support disbursed	\$ 11,869,074	\$ 12,123,793	\$ 12,498,115	\$ 12,745,363	\$ 13,025,548
Percent of current child support collected (FFY for given year)	N/A	76%	78%	77%	78%
Percent of open child support cases with paternity established	N/A	107%	109%	110%	107%

**SCOTT COUNTY  
SHAKOPEE, MINNESOTA**

**Schedule 25**  
***(Continued)***

**OPERATING INDICATORS BY FUNCTIONS/PROGRAM  
LAST FIVE FISCAL YEARS**

	Fiscal Year				
	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
<b>Function/Program</b>					
Percent of open child support cases with an order established (FFY of given year)	N/A	87%	87%	88%	90%
<b><u>Public Health</u></b>					
Number of tuberculosis (TB) cases	5	6	7	2	3
Number of tuberculosis cases completing curative therapy with 12 months (12 month delay for data availability)	5	5	7	2	3
Percent of children immunized by kindergarten entrance (reported by school year)					
Dtap	96.0%	94.7%	95.7%	95.8%	96.0%
Polio	96.1%	94.8%	95.9%	95.9%	96.3%
MMR	95.9%	94.7%	95.4%	95.8%	94.3%
Hep B	97.6%	95.8%	96.2%	96.8%	96.3%
Varicella	94.8%	93.8%	93.6%	95.3%	93.8%
Child and Teen Checkup participation ratio (FFY of given year)	N/A	66.0%	65.0%	68.0%	N/A
<b><u>Culture &amp; Recreation</u></b>					
<b>Parks</b>					
Visits					
Total	577,000	644,500	N/A	N/A	N/A
Summer	256,700	283,000	N/A	N/A	N/A
Winter	55,200	62,200	N/A	N/A	N/A
Spring/fall	265,100	299,300	N/A	N/A	N/A
<b>Library</b>					
Registered card holders	92,616	100,563	107,731	108,820	115,543
Visits	572,663	561,568	528,421	505,995	509,971

**SCOTT COUNTY  
SHAKOPEE, MINNESOTA**

**Schedule 25**  
***(Continued)***

**OPERATING INDICATORS BY FUNCTIONS/PROGRAM  
LAST FIVE FISCAL YEARS**

	Fiscal Year				
	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
<b>Function/Program</b>					
Circulation	980,147	928,621	892,242	842,430	864,421
Number of materials	256,124	238,489	236,478	236,594	268,977
Public service hours	17,154	14,528	16,146	16,424	16,587
Attendance of library hosted programs	28,455	29,638	27,086	26,840	28,830
Recorded book downloads	2,740	N/A	3,131	5,925	9,102
Digital downloads (includes recorded books, digital magazines, ebooks)	2,740	4,822	28,208	52,221	72,089
<b><u>Economic Development</u></b>					
Employment and Training					
Work participation rate	N/A	53.7%	65.1%	66.1%	67.8%
Minnesota Family Investment Program three-year Self-Support Index (Timing April of prior year through March of current)	73.8%	73.5%	74.1%	80.7%	79.1%

**Note:** Information prior to 2010 is not available.

**SCOTT COUNTY  
SHAKOPEE, MINNESOTA**

**Schedule 26**

**CAPITAL ASSET AND INFRASTRUCTURE STATISTICS BY FUNCTION/PROGRAM  
LAST FIVE FISCAL YEARS**

	Fiscal Year				
	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
<b>Function/Program</b>					
General Government					
Government Center	1	1	1	1	1
Public Safety					
Justice Center	1	1	1	1	1
Patrol Units	34	34	34	33	33
Emergency Management Vehicles	1	1	1	2	2
Highways & Streets					
Mileage					
County State Aid Highway (CSAH)	250	250	250	250	250
County Road	107	107	107	107	107
Scott County Bridges (total)	64	64	66	73	73
Traffic Signals	59	59	69	69	69
Culverts	872	N/A	901	901	901
Transit					
Number of buses	36	36	24	24	24
Culture & Recreation					
Libraries	8	8	8	8	8
Parks Acreage	5,207	5,207	N/A	N/A	N/A
Regional Parks and Trails	5	5	5	5	5
Playground Structures	2	2	2	2	2
Fairgrounds	1	1	1	1	1

**Data Source:** Scott County Finance Division and other County departments.

**Note:** Information prior to 2010 is not available.

N/A: Not available